DOCUMENT RESUME

ED 399 394 CE 072 475

TITLE	People with Disabilities. Federal Programs Could Work Together More Efficiently To Promote Employment. Report to the Chairman, Subcommittee on Employer-Employee Relations, Committee on Economic and Educational Opportunities. House of Representatives.
INSTITUTION	General Accounting Office, Washington, DC. Health, Education, and Human Services Div.
REPORT NO	GAO/HEHS-96-126
PUB DATE	Sep 96
NOTE	97p.
AVAILABLE FROM	U.S. General Accounting Office, P.O. Box 6015, Gaithersburg, MD 20884-6015 (first copy free; additional copies $2.00 each; 100 or more: 25% discount).
PUB TYPE	Reports - Evaluative/Feasibility (142)
EDRS PRICE	MF01/PC04 Plus Postage.
DESCRIPTORS	Adult Education; *Cooperative Programs; *Coordination; *Disabilities; *Employment Services; Federal Aid; Federal Government; *Federal Programs; Federal State Relationship; Government Role; *Program Effectiveness; State Programs

ABSTRACT

This study identified federal programs designed to assist people with disabilities, with a special emphasis on programs promoting employment. The study focused on the extent to which information, eligibility, and services were coordinated under these programs and the efficiency of federal programs in promoting employment among people with disabilities. Findings indicated that 130 federal programs targeted people with disabilities; 26 of these programs provided direct employment services such as skills training and job search assistance. Although the federal government provided funds for all programs, the extent of the federal role in their administration varied considerably. Although many federal programs had decentralized the provision of services to state governments, the programs had adopted a variety of funding mechanisms to do so. Programs helping people with disabilities did not work together as efficiently as they could to share information about their programs and overcome obstacles posed by differing eligibility criteria and numerous service providers. Because services were not coordinated among programs, people with disabilities received duplicate services or faced service gaps. Past federal efforts to reorganize and restructure service delivery have succeeded only marginally compared with more modest, local initiatives. (Appendixes include objectives, scope, and methodology; federal programs targeting people with disabilities; federal employment initiatives targeted to people with disabilities; geographic distribution of expenditures for selected programs; and definitions. Contains 28 references. (YLB)

ED 399 394

United States General Accounting Office

GAO

Report to the Chairman, Subcommittee on Employer-Employee Relations, Committee on Economic and Educational Opportunities, House of Representatives

September 1996

PEOPLE WITH DISABILITIES

Federal Programs Could Work Together More Efficiently to Promote Employment

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☐ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

BEST COPY AVAILABLE

CE072475

75 years 1921 - 1996

GAO/HEHS-96-126

2

GAO

United States
General Accounting Office
Washington, D.C. 20548

Health, Education, and
Human Services Division

B-266310

September 3, 1996

The Honorable Harris W. Fawell
Chairman, Subcommittee on
Employer-Employee Relations
Committee on Economic and
Educational Opportunities
House of Representatives

Dear Mr. Chairman:

Over the past decade in the United States, attitudes about people with disabilities have changed significantly. A growth in public awareness of the capabilities of people with disabilities, a new emphasis on their inclusion in society, and a movement toward strategies promoting their economic self-sufficiency reflect this changed view. These changes in attitudes have influenced several recent major legislative initiatives: the Supported Employment program in 1986, the Americans With Disabilities Act (ADA) in 1990, and the amendments to the Rehabilitation Act. Although these initiatives are designed to help promote the employment of people with disabilities, they have not represented a substantial overhaul of U.S. disability policy. Instead, as experts have noted, they have added to or expanded an already existing program structure, parts of which have been in place for many decades.

Because these legislative initiatives have raised concerns about the ability of federal programs that target people with disabilities to work together, you asked us to examine and describe these programs, emphasizing those that relate to employment. Specifically, we focused on the following questions:

1. Which federal programs target people with disabilities, and how many of these programs provide employment-related services?

2. To what extent are information, eligibility, and services coordinated under these programs?

3. What does available evidence suggest about the effectiveness of federal programs in promoting employment among people with disabilities?

To accomplish these objectives, we integrated evidence from the literature, from analyses of the most current available databases, and from

interviews with consumers and public and private organizations. We identified the range of federal programs, their funding levels, and the services they provide through a review of federal statutes and regulations, consultations with agency officials, and information from a variety of sources—agency reports, budget documents, the Catalog of Federal Domestic Assistance, the most current expenditure data (fiscal year 1994) available from the Consolidated Federal Funds Report, and our previous reports. Using the economics and social science literature, combined with evidence from available databases, including the 1990 census and the 1993 National Health Interview Survey, for example, we identified characteristics of the population of people with disabilities and gathered information on employment barriers posed by their special needs. However, we did not independently verify data that we received from public or private databases. We also interviewed disability experts, consumers, service providers, and public officials at the federal, state, and local levels to help determine how federal programs address these barriers to employment. Our work was completed between April 1995 and July 1996 in accordance with generally accepted government auditing standards. For more detailed information on our scope and methodology, see appendix I.

Results in Brief

The federal government funds a broad range of services to assist the millions of people with disabilities. This effort is diffuse, however, with federal assistance provided through 130 programs in 19 federal agencies. For many of these programs, service delivery filters down to numerous public and private agencies at the state and local level. In fiscal year 1994, the federal government spent over $60 billion on 69 programs targeted exclusively to people with disabilities. In addition, people with disabilities benefited from between $81 billion and $184 billion in spending through 61 partially targeted programs. These partially targeted programs gave special consideration to people with disabilities, even though they serve a much broader clientele.[1]

The majority of federal expenditures were associated with income maintenance and health care programs. In 1994, programs that focused specifically on employment assistance constituted a relatively small proportion of all disability programs (26 of 130) and received a relatively small proportion of total federal funding for such programs (from 2.5 to

[1]Because the agencies responsible for many of these partially targeted programs could not separate program expenditures into disability-related and nondisability-related categories, our estimated range reflects the substantial uncertainty surrounding federal expenditures to help people with disabilities. See app. I.

4 percent). A larger number of programs and a greater share of federal dollars, however, were devoted to programs that provide employment-related services such as transportation, accessible housing, and independent living services.

Our review suggests that programs helping people with disabilities do not work together as efficiently as they could to share information about their programs and overcome obstacles posed by differing eligibility criteria and numerous service providers. Because people with disabilities often face multiple barriers to employment, including insufficient job training, lack of transportation, and employer discrimination, they may require services from more than one program to make employment feasible. However, each program has its own eligibility requirements and applicants must often establish eligibility separately because no effective mechanism exists to promote or ensure coordination. Similarly, because services are often not coordinated among programs, people with disabilities may receive duplicate services or face service gaps.

Although the general lack of coordination suggests that program efficiency could be improved, scant evidence exists for evaluating the effectiveness of these programs either individually or collectively. Despite the size of the federal commitment, few programs are required to gather the outcome data necessary for reliable program evaluation. Many of the 26 employment-focused programs that we identified have had little or no formal evaluation in recent years. The difficulties associated with comparing data from different programs also hinder evaluation efforts. In many instances, service providers track different consumer information, use different eligibility criteria, and have different rules on confidentiality. Therefore, without improving coordination, imposing requirements on data collection may not necessarily facilitate evaluation.

Past federal efforts to reorganize and restructure service delivery have succeeded only marginally compared with more modest, local initiatives. Federal agencies have an opportunity to learn from some recent state and local efforts to improve the coordination of programs helping people with disabilities. Some state and local programs reported improved service delivery along with reduced program costs, thus providing resources that could be redirected toward improving services or evaluating program performance.

Background

In the last 10 years, the Congress has expanded federal efforts to promote employment for people with more severe disabilities by creating new programs, expanding existing programs, and providing employment protections. In the past, social attitudes toward people with mental retardation or psychiatric conditions often labeled them as unemployable outside of institutions or sheltered workshops and thus unable to benefit from job training or vocational rehabilitation. However, recent advances in assistive technology, particularly in computers, have made many personal limitations less prohibitive barriers to work. Voice recognition software, for example, allows those who do not have use of their hands to produce documents on a computer. In addition, the development of supported employment, in which ongoing on-the-job support is provided to people with disabilities through a job coach, has demonstrated that many people previously considered unemployable could work alongside people without disabilities. In response to these developments, the Congress has created new programs to promote the increased use of assistive technology and to provide states with funding specifically designated for supported employment. In addition, the Congress has amended the Rehabilitation Act to strengthen the requirement that states serve individuals with severe disabilities.

In 1990, the Congress provided educational and employment protections to people with disabilities. For example, ADA prohibited employment discrimination on the basis of disability by state and local governments and many private-sector employers, as long as the person was qualified and able to perform the essential job functions "with or without reasonable accommodation."[2] Similarly, in the Individuals With Disabilities Education Act (IDEA), the Congress mandated that all children with disabilities be provided a "free, appropriate public education," and courts interpreting the law have required that this education be provided in "the least restrictive environment." This provision emphasized a clear presumption that children with disabilities should be mainstreamed—that is, taught in regular classrooms when possible.

[2]This provision requires employers to provide what is necessary (for example, equipment, modifications to work station, and the like) for the individual to do the job as long as accommodating the disability is not an undue hardship for the employer.

130 Federal Programs Target People With Disabilities

Over many years, public concern and congressional action have produced a broad continuum of services and policies designed to help people with disabilities. We identified 19 different federal departments or agencies that administered 130 programs targeting people with disabilities in 1994.[3] These programs ranged from those for toddlers with disabilities, for example, Early Intervention State Grants for Infants and Toddlers With Disabilities—to those for the elderly with disabilities, for example, Independent Living Services for Older Blind Individuals. These many programs provided education, health care, and books and assisted with employment. (For a list of these programs, as well as targeting and funding information, see app. II.)

Of the 130 programs, 69 were wholly targeted (targeted exclusively) to people with disabilities; the others were partially targeted—that is, they provided services to a wider clientele but nonetheless gave some priority or preference to people with disabilities. In 1994, the federal government spent over $60 billion through these 69 wholly targeted programs, including efforts such as the Disabled Veterans' Outreach program, which helps disabled veterans. In addition, people with disabilities benefited from between $81 billion and $184 billion in federal spending through 61 partially targeted programs in areas such as income support, housing, and transportation.[4]

The federal commitment to helping people with disabilities has also attempted to facilitate their employment both directly and indirectly. Of the 130 programs available in 1994, 26 provided direct employment services such as skills training and job search assistance. For example, the Supported Employment program established by the Rehabilitation Act is employment focused because it provided training and placement services to people with severe disabilities. (Apps. II and III provide details about these programs.) Employment-focused programs in 1994 provided between $2.5 billion and $6.1 billion in services targeted to people with disabilities.

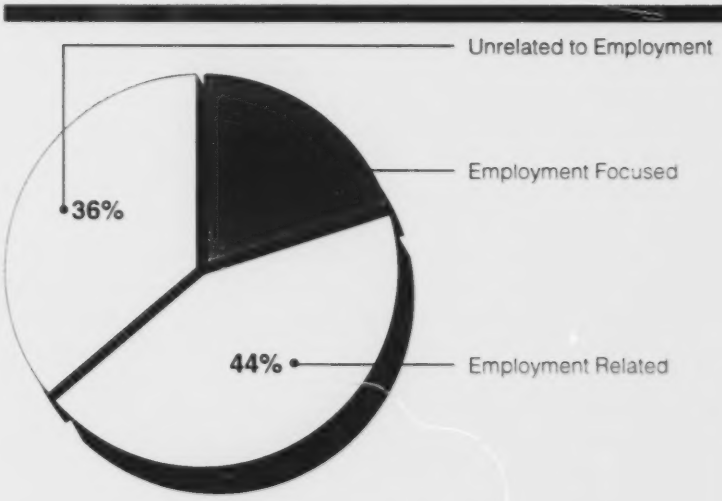
[3]We defined a program as targeted to people with disabilities if either people with disabilities were the ultimate beneficiary of this assistance, if disability was a criterion for eligibility, or if the program gave priority or preference to people with disabilities. We excluded those programs that may serve some people with disabilities but were not specifically intended to address disability. For example, people with disabilities may receive Aid to Families With Dependent Children but their eligibility for this program does not arise from their disability. We also omitted programs that exclusively fund research related to specific medical conditions. See app. I.

[4]This broad range reflects the fact that many partially targeted programs do not track expenditure by target or recipient group. See app. I.

In addition, we identified 57 of 130 programs as related to employment—that is, although not directed specifically at employment, these programs may have indirectly affected employment outcomes. These include federal programs that help finance purchases of assistive technology, such as specially designed wheelchairs or computer software, which are employment related because they can enable an individual with a disability to enter the workplace. In 1994, employment-related programs provided between $62 billion and $156 billion in services targeted to people with disabilities.

The remaining 47 of the 130 federal programs were unrelated to employment. Federal efforts to promote early intervention services for toddlers with disabilities are an example of these types of programs. (See fig. 1.)

Figure 1: Employment Focus of Federal Disability Programs in 1994



Notes: Employment-focused programs provide services that directly facilitate finding and maintaining employment such as job training and placement assistance.

Employment-related programs indirectly facilitate work through services such as assistive technology, transportation, health insurances, and the like.

BEST COPY AVAILABLE

Many of these employment-focused and -related programs provided a specific service rather than a broad range of services to people with disabilities. For example, the Department of Transportation (DOT) funds capital improvements for local transit systems and also provides funds for paratransit services.[5] The Job Training Partnership Act (JTPA) program, although only partially targeted to people with disabilities, emphasizes shorter term skill training and provides only a limited range and amount of support services. Important exceptions to this are the vocational rehabilitation programs; both the federal-state Vocational Rehabilitation program and the Veterans' Vocational Rehabilitation program can provide a wide variety of services designed to promote employment.

Degree of Federal Financing and Responsibility Varies Among Disability Programs and States

Although the federal government provides funds for all 130 programs, the extent of the federal role in their administration varies considerably. Federal programs provide assistance directly to the individual or indirectly through other public or private service providers at the state and local levels. Programs that provide assistance indirectly often involve limited responsibilities for the federal government in administering services.

For some programs, assistance or services flow directly from the federal government to the individual with a disability. For example, income support payments under the Social Security Disability Insurance (DI) program flow directly to beneficiaries, and phone calls requesting information from the Education Department's Information Clearinghouse are a direct service from the federal government. The largest federal programs in terms of spending—the income maintenance and health care programs—generally deliver assistance directly to individuals; however, if these programs are excluded, states receive a substantial amount of the funds provided through disability programs.

For many programs, assistance or services flow indirectly from the federal government through state governments, which are responsible for delivering services to individuals with disabilities. For example, under the federal-state Vocational Rehabilitation program, the federal government allocates program funds to the states, which have authority to deliver services.[6] For some programs, the states may provide funds to other

[5]Paratransit is a service specifically designed for individuals unable to use regular fixed-route transportation. Other federal agencies (such as the Department of Health and Human Services) also provide funding for paratransit.

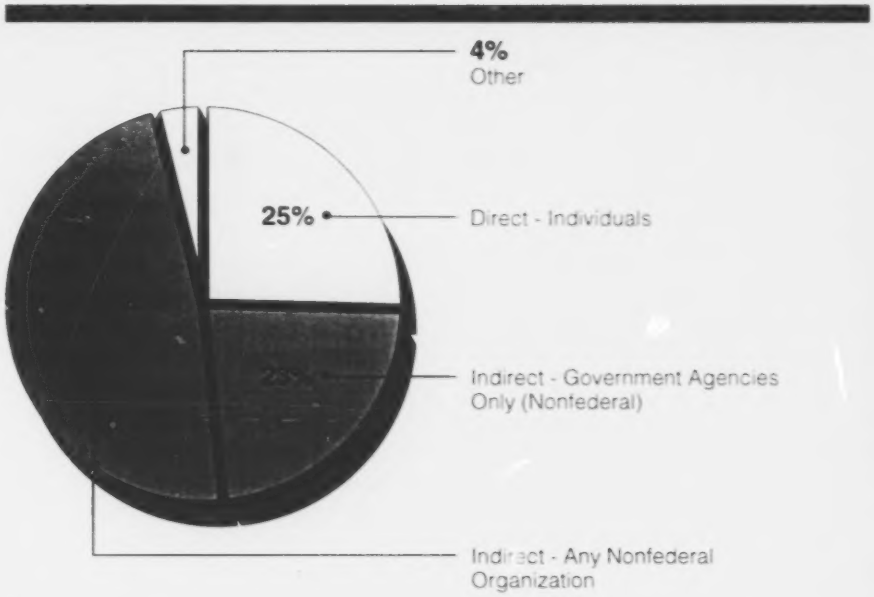
[6]The Vocational Rehabilitation program distributes funds to states through formula allocations, with each state program generally establishing its own funding formula or grant criteria for local providers that deliver services directly.

entities, such as local governments or nonprofit or private agencies, to administer services. In the states we visited, funds from federal disability programs were further distributed to a wide range of state agencies—departments of rehabilitation services, employment and training, developmental disabilities, mental health, education, and those for the deaf and hard of hearing, or the blind, for example.

For many other programs, assistance or services flow indirectly from the federal government to other organizations such as state or local agencies or nonprofit or private organizations. For example, the Projects With Industry (PWI) program may be administered through other public, private, or nonprofit agencies.[7] Under these programs, federal agencies allocate grants on the basis of the application or proposal submitted by an organization or agency, which is then responsible for providing services. Federal funds allocated through these programs provide support for special projects in delivering disability services; others support research or train state or local professionals to work more effectively with people with disabilities. (See fig. 2.)

[7]See app. III for details on this program.

Figure 2: Distribution of Disability Programs Providing Services—Directly or Indirectly—to People With Disabilities



Variety of Program Funding Mechanisms Influences the Distribution of Funds to States

Although many federal programs have decentralized the provision of services to state governments, the programs have adopted a variety of funding mechanisms to do so, including funding formulas based on different criteria as well as varying procedures for awarding grants. The variation in these funding mechanisms affects the distribution of federal funds to states. States may receive more or less money depending on the size and characteristics of their targeted population as well as their success in pursuing grants and other awarded monies. In our analysis of statewide 1990 funding data for the eight wholly targeted employment-focused programs and statewide 1990 census data, we found that the disabled working-age population[8] as a percentage of the total working-age population varied between 7 and 15 percent. Federal programs distributed to states between $200 and $1,100 per working-age person with a disability. Some states like Florida, Georgia, and South Carolina received between $200 and $350 per working-age person with a disability; sparsely populated states like Wyoming and Alaska received between $800 and $1,100 per working-age person with a disability. (See app. IV.)

[8]Includes any noninstitutionalized person between the ages of 16 and 64 who reported a work, mobility, or personal care limitation.

Federal Disability Programs Confront Extensive Employment Needs of People With Disabilities

Promoting employment is one of the most important challenges confronting federal assistance to people with disabilities. People with disabilities constitute an underutilized workforce and a potential resource to the U.S. economy. Surveys have estimated that 18 to 40 percent of people with disabilities have jobs—far below the 73 percent of people without impairments.[9] Yet in these surveys, most individuals with disabilities indicated that their disability did not prevent them from working. For example, although 8.2 percent of individuals were identified as having a work disability in the 1990 census, only a little over half of those said that they could not work.[10]

Increased employment would alleviate the poor economic condition of people with disabilities, many of whom struggle to get by on marginal resources. According to 1990 census estimates, 22 percent of working-age people with disabilities live on or below the poverty line, and an additional 12 percent can be classified as "near poor" (with incomes between 101 and 150 percent of the poverty line).[11] Not surprisingly, many people with disabilities turn to public assistance. In 1992, approximately 3.5 million disabled workers participated in the Social Security Administration's (SSA) DI program, and approximately 4 million people with disabilities participated in the Supplemental Security Income (SSI) program. Aside from Social Security income, census figures indicate that people with disabilities were also more likely to receive other forms of public assistance. Only 2 percent of working-age people without disabilities—those aged 16 to 64—reported receiving public assistance income, compared with 15 percent of working-age people with disabilities.[12]

[9]Calculating the employment rate of people with disabilities depends on the particular survey and the definition of disability that survey uses. For example, the 1990 census found that 18 percent of individuals who identified themselves as having a mobility limitation were employed, and 33 percent of those who said they are limited in the kind or amount of work they can do were employed. In a 1994 Louis Harris poll of 1,021 people who identified themselves as having a disability, 31 percent said they were employed. For a discussion of the definitions of disability, see app. V.

[10]Many jobless people with disabilities also appear to want to work. When the 1994 Louis Harris survey asked people with disabilities without jobs whether they would prefer to work, 42 percent said they would prefer to work and would be able to do so.

[11]In comparison, the 1990 census reported that 10 percent of working-age people without disabilities were living in poverty, and an additional 6 percent were near poor.

[12]Although the census asked separate questions about Social Security income and public assistance income, some respondents may have confused the two and reported SSI or DI benefits as public assistance. For this reason, these figures should be interpreted cautiously.

Federal Government Finances a Wide Range of Services to Address Major Employment Barriers

Our discussions with disability experts, consumers, and officials from public and private agencies identified multiple barriers that contribute to the relatively low employment rates for people with disabilities. Some of the major employment barriers they identified are listed in table 1, which also includes examples of federal efforts addressing each barrier.

Table 1: Examples of Employment Barriers for People With Disabilities and Federal Efforts Addressing These Needs

Employment barriers	Examples of federal efforts addressing this employment barrier
Low education levels	IDEA and related programs, vocational education, funding for Gallaudet University, Department of Veterans Affairs (VA) Vocational Rehabilitation
Limited skill training	Vocational Rehabilitation, VA Vocational Rehabilitation, JTPA
Lack of access to assistive technology	Technology assistance programs, Medicare and Medicaid, Vocational Rehabilitation
Lack of access to employer-based health insurance	No direct efforts[a]
Negative attitudes and employer discrimination	Prohibition against discrimination by federal contractors, state and local governments, and private employers and enforcement efforts
Lack of accessible transportation	ADA, DOT funds for capital improvements, VA funding for auto modifications
Work disincentives of income maintenance programs	Plan to Achieve Self-Support (PASS) program under SSA
Other employment barriers for specific disability groups, for example, communication issues for the deaf	Programs such as library services for the blind and funding for higher education for the deaf at Gallaudet University

Note: For more detailed descriptions of employment-focused programs, see app. III.

[a]ADA does not allow employers to discriminate in hiring on the basis of individual employee health insurance costs.

Employment Barriers Can Limit Job Opportunities for People With Disabilities

For many individuals with disabilities, employment barriers can restrict the range of employment opportunities available. For example, the 40 percent of people with disabilities who have less than a high school education may find the job market particularly difficult, especially with the general decline in the number of lower skill jobs available in many industries. According to 1990 census figures, people with disabilities were nearly twice as likely to have less than a high school education (40 to

21 percent); similarly, individuals without impairments were more than twice as likely to have a college degree or more (21 to 9 percent).

In contrast, although a lack of skill training can limit employment opportunities, access to appropriate technology can expand the range of possibilities. In a National Council on Disability (NCD) report, users of assistive technology reported that such equipment enabled them to work more productively for more hours, increase their earnings, and either keep their jobs or obtain employment.[13] Obtaining access to supportive technologies, however, is often difficult for many people with disabilities. The Council reported that a person with severe disabilities may be considered eligible for, and benefit from, more than 20 federal programs in the area of assistive technology. Yet the report cites that the many inconsistencies between and within these programs lead to an extraordinary amount of confusion and frustration for individuals with disabilities and their families. Moreover, even if a person is clearly eligible for all services, he or she must negotiate multiple eligibility requirements—perhaps including medical examinations, additional documentation, and interviews with officials from multiple agencies—to get access to services under several narrowly focused programs.

People with disabilities also face problems with accessing nongovernment-supported health care due to preexisting conditions. For example, while ADA does not allow employers to discriminate on the basis of health care costs, the President's Committee on Employment of Persons With Disabilities cited employer discrimination in accessing nongovernment-supported health insurance as a major employment barrier. For example, employers, especially small businesses, may find that sometimes the premiums for employee group health insurance will increase significantly if an employee with a disability is included in the policy. Although measuring the extent of discrimination is difficult, several research studies have found that wages and hiring rates are lower for individuals with disabilities than for those without impairments, even after differences in education, experience, and other factors are accounted for.[14]

[13]Study on the Financing of Assistive Technology Devices and Services for Individuals with Disabilities, National Council on Disability (Washington, D.C.: 1993).

[14]See Marjorie Baldwin and W. Johnson, "Labor Market Discrimination Against Men With Disabilities," Journal of Human Resources, Vol. 223, No. 1 (1994), pp. 1-19; Jean-Francois Ravaud, Beatrice Madiot, and Isabelle Ville, "Discrimination Towards Disabled People Seeking Employment," Social Science and Medicine, Vol. 35, No. 8 (1992), pp. 951-58; and William G. Johnson and James Lambrinos, "Wage Discrimination Against Handicapped Men and Women," Journal of Human Resources, Vol. 20, No. 2 (1985) pp. 264-77.

In addition to these barriers, people with disabilities face other obstacles in taking advantage of available employment opportunities. For example, many of the federal and state officials we spoke with, along with other experts, identified the lack of accessible transportation as especially problematic. The U.S. transportation system is heavily automobile based, but people with disabilities are less able to rely on cars than individuals without impairments. According to census data, 14 percent of people with disabilities did not have an automobile in the household, compared with 6 percent of people without disabilities. Some disabilities (such as blindness) make driving impractical; others require costly adjustments, such as hand controls or a lift, to a standard automobile. In addition, financial considerations may limit access to automobiles for many people with disabilities, especially for the over 10 million people with disabilities who reported incomes of less than $10,000 in 1990. The need to rely on public transportation may especially restrict employment options for people with disabilities who live in rural areas.

People with disabilities who rely on income support programs such as Social Security DI or SSI may also be discouraged from attempting to work by the prospect of losing their benefits, particularly their health insurance coverage. Disability advocates and rehabilitation counselors believe that the fear of losing medical coverage is one of the most significant barriers to the participation of SSI and DI beneficiaries in the Vocational Rehabilitation program, their return to work, or both.[15] In recent years, other initiatives have adopted additional procedures to mitigate these work disincentives, but relatively few beneficiaries have taken advantage of these provisions.

Despite Its Importance, Coordination Has Been Difficult to Achieve

Because people with disabilities may need a variety of services to seek or retain employment, and with federal assistance dispersed among many programs and agencies, coordination of these activities is especially important. Programs and agencies may coordinate in different ways, from sharing basic program information to establishing compatible eligibility criteria to cooperating in service provision. (See table 2.)

[15] SSA Disability: Program Redesign Necessary to Encourage Return to Work (GAO/HEHS-96-62, Apr. 24, 1996).

Table 2: Types of Program Coordination

Type	Definition
Informational	Ensuring that program administrators are knowledgeable about the requirements and services of related programs, enabling them to better plan their activities, share information, overcome institutional barriers, and help beneficiaries access appropriate resources from other programs.
Eligibility	Establishing similar, compatible eligibility requirements for programs with overlapping target populations. Eligibility coordination and streamlining documentation not only reduce the administrative burden on participants, but also reduce the amount of program time required to make assessments and process applications.
Service	Enabling beneficiaries to have easy access to the services they need to avoid duplication or service gaps. Interagency service linkages enable agencies to ensure that individual programs support each other.

Our review raised questions about the extent to which federal disability programs achieve coordination in any of these areas. Many of the agencies responsible for federal disability programs did not engage, or engaged very little, in basic informational coordination either with each other, state and local agencies, the private sector, or the disability community. Eligibility coordination was also lacking; similarly, service coordination appeared to be uncommon.

Coordination in any of these areas appeared to be a formidable task for several reasons. First, many of the recent initiatives targeted to people with disabilities added to or expanded an already existing program structure organized to address the needs of nondisabled people. As a result, administrators, particularly those who manage partially targeted programs, often do not fully understand the needs of people with disabilities[16] and do not place a high priority on coordinating with organizations serving their special needs. Second, many federal programs rely on service providers at the state and local levels for direct service delivery. In addition to the 130 federal programs overseen by 19 agencies in 1994, states distributed program administration and authority to a variety of agencies: state departments of employment and training; state rehabilitation departments; state education departments; state departments for the blind, deaf, or developmentally disabled; state health departments; and others. Many of these different agencies also apply their own eligibility criteria, creating even greater variation. One disability researcher reported that when he surveyed states and asked which departments provided disability-related services, he received almost as

[16]PASS Program: SSA Work Incentive for Disabled Beneficiaries Poorly Managed (GAO/HEHS-96-51, Feb. 28, 1996).

many different responses as there were respondents. Finally, federal and state officials also identified turf battles, different orientations and approaches, and competing program objectives as other impediments to coordination.

Limited Communication Exists Among Agencies Serving People With Disabilities

Although federal assistance to people with disabilities is dispersed among many programs and service delivery agencies at the state and local level, limited informational coordination exists among agencies about these programs and how they fit together. Federal officials did not systematically share program information and ongoing developments with their counterparts at other federal, state, local, and nonprofit agencies or with the private sector or the disability community. Some federal officials we interviewed did not know of the existence of other federal programs helping people with disabilities. Although others knew of these programs, they seldom or never talked with agency officials from other programs nor did they keep up with ongoing program developments.

Limited informational coordination by federal administrators was common, particularly among those who manage partially targeted programs. For example, one Labor official, commenting on the department's lack of outreach to the disability community, said that the Department "does not even talk to its [disabled] customers."[17] Similarly, we consistently heard from disability advocates, state and local officials, service providers, and private employers that JTPA does not effectively serve the needs of people with disabilities. State officials told us that, in fact, some JTPA offices were situated in locations that were inaccessible to people with mobility limitations.

One consequence of this limited informational coordination was the difficulty people with disabilities experienced in getting reliable information about federal services. In particular, although the majority of SSI field offices and their staff reported that they spent time providing program information, according to our 1991 study,[18] state and local officials told us that consumers often received inconsistent answers to commonly asked questions about SSI, work, and rehabilitation. The lack of consistent, accurate information about SSI, work, and rehabilitation could

[17]This observation is supported by the 1994 results of the Louis Harris survey. When asked how much they knew about state or local job counseling and employment services for people with disabilities, 67 percent of the full-time students or job trainees with disabilities said they were either "not too familiar" or "not familiar at all" with these services.

[18]Social Security: District Managers' Views on Outreach for Supplemental Security Income Programs (GAO/HRD 91-19FS, Oct. 30, 1990).

magnify some of the work disincentives created by provisions of income support programs. One consumer we interviewed stated that getting answers to questions about work and rehabilitation was difficult because SSI/DI administrators did not understand the needs that were specific to her disability.[19] She also told us that getting incomplete information made employment a risky proposition because she could lose her health benefits and not have the earning power to replace them.[20]

Lack of informational coordination also has negative consequences for employers and service providers, both public and private. For example, in some states, counselors from vocational rehabilitation programs do not have access to job listings from agencies that administer employment and training programs. The absence of such linkages for sharing information can present undue burdens on employers. For example, without such information sharing, counselors from separate agencies may independently contact the same employer to develop employment opportunities for people with disabilities. Having different service providers—a vocational rehabilitation counselor, an employment training specialist, a supported employment job developer, or a representative from PWI—contact one employer can undermine the relationship between service providers, employers, and the disability community.

Federal and State Agencies Apply a Wide Range of Eligibility Criteria

Eligibility coordination is similarly limited among federal programs and agencies. Each federal program has congressionally authorized eligibility and scope-of-service requirements. Differences in eligibility criteria can make access to services a complex process, however, and could confuse people with disabilities as well as those who serve them. We identified at least 14 different definitions of disability used by federal programs alone, and many of these definitions provided considerable agency and state discretion in eligibility determination. For example, in assessing eligibility for services, one program permitted each of its 300 field offices considerable discretion in defining disability. State officials who serve people with disabilities told us that the requirements for participating in this program are very strenuous and a paper chase is required to apply.

[19]These statements were consistent with findings from another GAO study citing lack of awareness and understanding about disability and rehabilitation issues among SSI staff (GAO/HEHS-96-51, Feb. 28, 1996, pp. 22-23).

[20]For example, people with disabilities often cannot get health insurance through an employer because of exclusions based on pre-existing conditions. To replace the lost health care and income support from federal programs, a person with a disability would have to earn as much as $50,000 per year, according to the President's Committee on Employment of Persons With Disabilities.

Even when programs may have well-defined criteria within their own departments, these criteria may differ from those used by other agencies. For example, programs administered through the Department of Education, such as Vocational Education and Vocational Rehabilitation, defined eligibility in terms of physical or mental impairments, whereas the programs administered through Social Security (DI and SSI) defined disability in terms of the inability to work. (See app. V.)

In addition to the federal eligibility definitions, many states have the flexibility to develop and apply additional eligibility criteria and standards. For example, according to federal officials, theoretically, each state can have its own definition of developmental disabilities. State agencies may use the federal definition of developmental disabilities or the state's definition. For someone to be eligible for services in one state, mental retardation has to be the primary disability. Other states define developmental disability in terms of intelligence quotient with differing thresholds. A 1988 report from the Training and Research Institute for People With Disabilities cited that among state agencies serving the mentally retarded or developmentally disabled population, only 40 percent evaluated their consumers using the relevant federal definitions and standards and none of the state vocational rehabilitation agencies evaluated their consumers according to federal criteria.[21] We also found in a recent study that state vocational rehabilitation agencies used criteria that were more restrictive than federal standards in screening SSI/DI participants.[22] Restrictive standards allowed state rehabilitation agencies to limit the referrals they receive from the Social Security offices to those they considered to be the best rehabilitation candidates.

The wide variation in eligibility standards limits the possibilities for linkages among programs, such as reciprocal referrals or eligibility agreements, in which agencies or programs can establish that eligibility for one program would expedite service provision from another. Such linkages could reduce confusion and service delays to consumers, despite the variation in eligibility, yet we found few examples of such reciprocal agreements. For example, few linkages exist between state vocational rehabilitation programs and federal or state employment and training agencies. In our 1992 study of support services under JTPA, only 24 percent

[21]National Perspectives on Integrated Employment: State MR/DD Agency Trends, Training and Research Institute for People With Disabilities, 1993.

[22]GAO/HEHS-96-62, Apr. 24, 1996, p. 49.

(131 of 557) of local organizations surveyed said that they had coordination agreements with the state rehabilitation agencies.[23]

Although in many cases variation in eligibility requirements may be appropriate or necessary, collectively these differences make federal programs difficult for consumers to use. For example, in the area of assistive technology, consumers testified at public forums convened by NCD that one device or piece of equipment has to be defined in different ways to meet eligibility requirements under different programs, each with its own funding limitations. Different rules are further complicated by differences in interpretating guidelines in an agency within a state and across states. Even if a person is clearly eligible for all services, he or she must negotiate multiple eligibility requirements—perhaps including medical examinations, documentation, and interviews with officials from multiple programs—to access services under several narrowly focused programs. Routinely, people with disabilities must go to several different offices to get services.

Similarly, different standards and criteria also increase costs for service providers and can limit their participation. For example, an international nonprofit organization that provides a variety of employment and rehabilitation services for the disabled told us that some local chapters of the organization choose not to participate in some programs that have a federal and state component. These local chapters would prefer to spend their resources on delivering services instead of negotiating different processes in a variety of agencies.

Many Agencies Have Not Coordinated Services for People With Disabilities

Established, well-maintained service coordination among programs also appears uncommon, resulting in inefficiencies and limiting private-sector participation and support. For example, many experts believe that increased access to regular fixed-route transportation facilitates the employment of people with disabilities. Transportation continues to be problematic, however, particularly in rural areas. Although different federal and state programs provided separate transportation funding for the elderly and the disabled, these services were not required to be coordinated at the local level. Thus, federal and state officials told us that, for example, in one county a half-empty van providing transportation for the elderly and another half-empty van providing transportation for the disabled may be traveling the same routes at the same time.

[23]Job Training Partnership Act: Actions Needed to Improve Participant Support Services (GAO/HEHS-92-124, June 12, 1992).

Poor service coordination can also discourage employer efforts to work with programs and help people with disabilities. Private-sector partners involved with government programs told us that service coordination is essential for them. Officials from one corporate partner told us that having a single point of contact—rather than having to deal with multiple programs and administrators—is crucial to the company's ability to participate in a program employing individuals with psychiatric disabilities. Another corporate official explained that lack of responsiveness and service coordination among multiple employment programs—along with reductions in financial incentives—contributed to her company's decision to discontinue its efforts to participate in job training programs for the disadvantaged and for people with disabilities.

Broad-Based Efforts to Reduce Fragmentation in Federal Programs Have Fallen Short

The diffusion of federal assistance to people with disabilities is not unique to these programs, and efforts to address the resulting problems are not new. For more than 30 years, the Congress, federal agencies, and others have recognized that most public and private human service agencies are organized to address a narrow range of issues and individuals. Nevertheless, their periodic attempts to reorganize and reshape the way human services are delivered have met with only marginal success.

Public and private officials from all levels of government and service delivery have tried different approaches to change the way human services are planned, funded, and administered. As we identified in a previous study, however, broad-based efforts to eliminate fragmentation by creating a new service delivery system have faced many obstacles and met with limited success.[24] Mandates alone are unlikely to secure the significant time and resource commitments needed from officials to initiate and sustain systemwide reform. In contrast, less ambitious efforts to improve coordination among service providers have succeeded somewhat in enhancing services. These efforts did not try to reorganize agencies' administrative structures; they improved services by taking a more modest, practical approach, focusing on the point of delivery and adapting to local conditions. Specifically, they linked individuals, services, and programs by (1) convincing service providers and officials of the need to cooperate and developing incentives for them to participate in the effort, (2) getting key participants to agree to the goals of the initiative and the role of each party in implementing changes, and (3) establishing a forum to institutionalize changes and continue ongoing communication.

[24]Integrating Human Services: Linking At-Risk Families With Services More Successful Than System Reform Efforts (GAO/HRD-92-108, Sept. 24, 1992).

Some State and Local Initiatives Show Promise in Improving Coordination

Some states have developed strategies that use the practical and modest approach that we had previously identified as improving coordination. For example, in California, one rural county we visited appeared to be improving services and reducing program costs. Despite significant barriers to coordination, state and local officials were improving communication among service providers and linking people with disabilities to the services they need in a comprehensive manner. Officials reported that their coordination efforts had reduced time and expense for administrators and consumers by 40 to 50 percent.

In this case, state and local officials created a collaborative forum—the School-to-Work Interagency Transition Partnership (SWITP)—that uses interagency linkages at the local level to help students with disabilities successfully transition from school to work. Officials formed a transition team composed of the student, parents, school counselors, representatives from the local JTPA program, and the state vocational rehabilitation agency. The team meets to identify a student's employment goals and devises a plan to tailor available services to the student's aspirations for achieving independent living. Representatives from almost all of the necessary services usually attend the meeting, and they work with the student and his family to identify priorities and overcome barriers. For example, one student could not take needed computer classes because of a lack of access to public transportation, but buying a car would have jeopardized the student's income maintenance and health care benefits. Because the agencies were working together in a team format to coordinate services, they quickly identified and implemented a solution.

Transition team members said that students liked being part of the team because it gave them greater personal independence. One of the students who participated in the transition team told us it had been indispensable in guiding him from high school to independent living. The student had only work experience as a janitor, but the team helped him to identify his skill strengths and weaknesses as well as his own aspirations for other vocations. School counselors provided insights about the student's disability, and the JTPA staff identified relevant training the student needed. The end product of the meeting was a strategic plan, which gave the employment specialist a basis on which to approach employers, emphasizing the student's skills and their benefits to employers. Despite initial employer reluctance, the team placed the student temporarily for on-the-job training and continued to support both the employer and the student after the placement. The student's enthusiasm and willingness to learn impressed the employer, and, 4 years later, the student was still

employed there as a custom upholsterer—at well above the minimum wage.

Although SWITP's comprehensive team assessment and planning process is targeted to youth with disabilities, it mirrors the challenges and strategies that have faced other programmatic efforts to improve services.[25] Like administrators of adolescent drug prevention programs, SWITP service providers faced tasks of coordinating diverse external agency procedures, documentation, and personalities. SWITP service providers noted that they often need conflict management skills, a strong focus on the student's needs, and patience to overcome the turf concerns of specialized professionals and their agencies to provide the full range of services necessary for their participants. SWITP providers also found that coordination was enhanced by using a master document containing the information necessary for each agency to meet each program's data requirements. Although the master document does not replace all other documentation, it condenses the multiple intake documents previously required from students. In addition, service providers regularly consult each other about changes in their programs and consumers, which has enhanced their ability to follow up with their students long after they have left the program. SWITP service providers reported strong support for the process because it fosters trust ("we don't feel threatened by one another"), noting that this trust has given them greater flexibility in helping their students achieve their goals.

States are also exploring other strategies to improve communication and overcome organizational barriers. For example, Massachusetts has created interagency agreements establishing forums in which state agency personnel can discuss and systematically train each other about their respective missions, procedures, standards, and target populations. Nevada and Massachusetts have also reported arrangements for exchanging electronic information between vocational rehabilitation and employment and training agencies, which has facilitated reciprocal referrals.

[25]Adolescent Drug Use Prevention: Common Features of Promising Community Programs (GAO/PEMD-92-2, Jan. 16, 1992).

Agencies Generally Do Not Know If Employment-Focused Programs Are Working Effectively

While the variety of programs and agencies engaged in serving people with disabilities raises questions about the efficiency of federal efforts, the effectiveness of these efforts is also unclear. Most of the 26 employment-focused programs we examined have not been formally evaluated. For many of the employment-focused programs, no statutory or agency data collection requirements exist. Federal officials explained that few formal evaluations have been conducted because of the lack of data collection, limited resources, and in many instances the data collection problems posed by federal and state program flexibility.

The absence of legislative and agency data collection requirements, coupled with limited available resources, precludes effectiveness studies for many of the programs we visited. Many of the agencies administering these 26 employment-focused programs did not require or collect data on program outcomes—specifically, data on whether participants got jobs and kept them, what wages they received, and whether they received employee benefits such as health insurance. For example, JTPA has no statutory requirement for service delivery areas to report the characteristics of the services delivered to people with disabilities or how they are delivered. Program officials told us that, with the limited resources of most agencies, they lack the capabilities to initiate data collection efforts.

For some of the programs that did collect outcome data, the information collected was not sufficient to adequately link outcomes to the services provided. For example, although service providers for the Supported Employment program provided detailed information on program participant performance and initial placement, they were not required to track consumers after an 18-month period, making any long-term assessment of the linkage between training and employment difficult.

Without a concurrent effort to improve coordination at all service levels, however, imposing reporting or assessment requirements may not improve the basis for evaluation. Given the flexibility each state has in choosing its own standards and definitions, outcome tracking can be a formidable task. In many instances, service providers, both public and private, use different intake data, eligibility criteria, paperwork requirements, software, and confidentiality rules. Consequently, "people aren't talking the same language," as one state official summarized, and considerable investments would be required to develop more uniform documentation and data to accommodate the many definitions and standards used. For example, different agencies and organizations at the state level provide funds for

supported employment services. Federal officials told us, however, that mental health agencies have a different definition of services that constitute supported employment than do the vocational rehabilitation agencies. Without better coordination, data collection and tracking will remain a costly endeavor, and program administrators will lack confidence that their programs are effective, either individually or in combination with other services.

The Congress has in the past directed agencies involved in research and evaluation of programs serving people with disabilities to improve their coordination. For example, according to a report from the Office of Technology Assessment (OTA), Education's Rehabilitation Services Administration signed a memorandum of understanding in 1993 with other agencies involved in similar research and evaluation.[26] The memorandum was intended to initiate collaboration of service delivery, staff training, and evaluation activities for the rehabilitation and employment of people with psychiatric disabilities. Similarly, the National Task Force on Rehabilitation and Employment of Psychiatric Disabilities tried to promote collaboration in the research and evaluation of federal rehabilitation and employment efforts. The task force met quarterly for 3 years, but attendance declined significantly, with many members complaining about its voluntary nature and limited impact on policies. The OTA report stated that experts and advocates commented to them that such efforts had achieved only mixed success, leading to OTA's conclusion that "while mechanisms for communicating across agencies have or do exist, they lie moribund at the present time."

Conclusion

Our review raises questions about the efficiency of federal efforts to help people with disabilities. In 1994, the federal government provided a broad range of services to people with disabilities through 130 different programs, 19 federal agencies, and a multitude of public and private agencies at the state and local levels. Although research groups and independent panels have stressed the need to simplify and streamline programs serving people with disabilities, suggestions for creating a new system to deliver services may be difficult to implement. In 1992, we urged caution when the Congress considered initiatives for federal, state, and local organizations to make fundamental changes in human service delivery systems, and we also urge caution for programs serving people with disabilities. Although the potential benefits of creating a new system

[26]Psychiatric Disabilities, Employment, and the Americans With Disabilities Act, Office of Technology Assessment (Washington, D.C.: Mar. 1994).

to deliver services more comprehensively to people with disabilities may be great, so are the barriers and the risks of failure. Obstacles preventing officials from reorganizing service agencies, creating new funding and service agreements, and divesting authority from their own agencies are difficult to overcome. Mandates alone are unlikely to secure the significant time and resource commitments needed from officials—whether they are charged with directing reforms or have responsibility for administering services.

In the current fiscal environment, a renewed focus by federal agencies on improving coordination would be a useful step toward improving services and enhancing the customer orientation of their programs. Given the multifaceted federal effort, better coordination is crucial to any strategy to eliminate duplication and service gaps and to enhance the efficiency of programs administered by the many public agencies at all levels of government. Without such an effort, assessing the impact of the federal commitment to people with disabilities and the relevance of improvement measures, such as program consolidation, becomes virtually impossible. We have identified several state and local initiatives that have shown promise in meeting the challenges of coordination; other initiatives most likely exist throughout the nation. These efforts appear to have succeeded somewhat in reducing duplication and service gaps, while saving agencies money. In light of these initiatives, the major Departments serving people with disabilities—Education, Labor, and Health and Human Services (HHS)—have an opportunity to identify, encourage, support, and learn from the innovative solutions being developed at the state and local levels.

Agency Comments

The Departments of Labor, Education, and Transportation provided comments on our draft report, agreeing with our findings and conclusions. (See app. VI for a copy of written comments from the Department of Labor.) Each of these agencies also provided technical comments, which we incorporated in the report as appropriate. HHS did not provide comments on the report within the time available.

As arranged with your office, we are sending copies of this report to the Secretaries of Labor, Education, and Health and Human Services. GAO contacts and staff acknowledgments for this report appear in appendix VII. Please call me on (202) 512-7014 if you or your staff have any questions.

Sincerely yours,

Carlotta C. Joyner
Director, Education and
Employment Issues

Contents

Letter		1
Appendix I Objectives, Scope, and Methodology		30
	Identifying Federal Programs That Target People With Disabilities	31
	Identifying Information on Program Expenditures	32
Appendix II Federal Programs Targeting People With Disabilities		34
Appendix III Federal Employment Initiatives Targeted to People With Disabilities		61
	Federal Efforts to Promote Competitive Employment Include Legislative Mandates and Partially and Fully Targeted Programs	61
	Federal Financing for Supported Employment Is Limited	67
	Federal Government Provides Indirect Support for Sheltered Workshops	68
Appendix IV Geographic Distribution of Expenditures for Selected Wholly Targeted, Employment-Focused Programs		70
	Many Wholly Targeted, Employment-Focused Programs Distribute Benefits Through State or Nonprofit Agencies	72
	People With Disabilities as a Percentage of the Working-Age Population Generally Highest in Southern States	73
	Distribution of Federal Funds for Employment-Focused Programs Differs From That of Working-Age People With Disabilities	75
	Data Limitations of This Analysis	77

Appendix V Definitions of Disability and Population Estimates of People With Disabilities		78
	Disability Is Difficult to Define and Measure	78
	Disability Is Most Commonly Defined by Measures of Functional Limitation	79
	Disability Sometimes Defined as the Presence of Specific Conditions	81
	Other Disability Definitions Are Less Commonly Used	82
Appendix VI Comments From the Department of Labor		87
Appendix VII GAO Contacts and Staff Acknowledgments		91
Bibliography		92
Related GAO Products		96
Tables	Table 1: Examples of Employment Barriers for People With Disabilities and Federal Efforts Addressing These Needs	11
	Table 2: Types of Program Coordination	14
	Table II.1: Federal Programs Targeting People With Disabilities	36
	Table IV.1: Federal Expenditures of Eight Wholly Targeted, Employment-Focused Programs, in 1990	71
	Table V.1: Examples of Different Definitions of Disability, by Source and Type	83
	Table V.2: Estimated Disability Prevalence in the United States, 1990-93	85
Figures	Figure 1: Employment Focus of Federal Disability Programs in 1994	6
	Figure 2: Distribution of Disability Programs Providing Services—Directly or Indirectly—to People With Disabilities	9

Figure IV.1: People With Disabilities as a Percentage of the Working-Age Population 74
Figure IV.2: Expenditures on Employment-Focused Programs per Working-Age Person With a Disability 76

Abbreviations

ADA	Americans With Disabilities Act
ADL	activities of daily living
CFDA	Catalog of Federal Domestic Assistance
CFFR	Consolidated Federal Funds Report
CPS	Current Population Survey
DI	Disability Insurance
DOT	Department of Transportation
ES	employment service
HHS	Department of Health and Human Services
HUD	Department of Housing and Urban Development
IADL	independent activities of daily living
IDEA	Individuals With Disabilities Education Act
JAN	Job Accommodation Network
JTPA	Job Training Partnership Act
NCD	National Council on Disability
NHIS	National Health Interview Survey
OTA	Office of Technology Assessment
PASS	Plan to Achieve Self-Support
PWI	Projects With Industry
SBA	Small Business Administration
SIPP	Survey of Income and Program Participation
SSA	Social Security Administration
SSI	Supplemental Security Income
SWITP	School-to-Work Interagency Transition Partnership
TJTC	Targeted Jobs Tax Credit
VA	Department of Veterans Affairs
WHO	World Health Organization

Objectives, Scope, and Methodology

This report identifies and describes federal programs designed to assist people with disabilities, with a special emphasis on programs promoting employment. Specifically, we focused on the following questions: (1) Which federal programs target people with disabilities, and how many of these programs provide employment-related services? (2) To what extent are information, eligibility, and services coordinated under these programs? (3) What does available evidence suggest about the efficiency or effectiveness of federal programs in promoting employment among people with disabilities?

To accomplish these objectives, we integrated evidence from the literature, from analyses of available databases, and from interviews with consumers and public and private organizations. We interviewed officials of federal agencies that administer programs targeted to people with disabilities. We also interviewed disability advocates; officials of nonprofit groups; and state and local officials in Massachusetts, California, Virginia, and Nevada. We chose these states on the basis of expert opinions and agency officials to obtain a variety of geographic locations, program sizes, and administrative structures. In addition, we interviewed consumers and several private-sector participants in several of these states to obtain their perspectives on how these programs promote employment of people with disabilities. We reviewed the literature on labor economics and employment programs, generally, and on people with disabilities, in particular, to obtain information on the problems and employment barriers such individuals face and on federal efforts to surmount these barriers. We also reviewed agency documents and legislation to help determine the purpose, eligibility requirements, and services authorized under these programs.

To profile the population of people with disabilities, we used several databases. In addition to relying on previously published results from the Current Population Survey (CPS), the Survey of Income and Program Participation (SIPP), and the 1995 National Organization on Disability/Louis Harris Survey on Employment of Persons With Disabilities, we analyzed information from the 1990 census and from the 1993 National Health Interview Survey (NHIS). Our estimates from the 1990 census were based on a 5-percent subset of the full census sample—approximately 15.9 percent of all U.S. housing units consisting of over 12 million people and 5 million housing units. These households received the long form of the census questionnaire, which collects detailed information on many variables, including several different ways of measuring disability status. The 1993 NHIS is a personal interview household survey using a nationwide

sample of 109,671 civilian noninstitutionalized people in the United States. The two surveys differ in the content of their disability-related questions as well as in the other information gathered. For example, NHIS was useful in estimating the prevalence of chronic conditions, information the census does not gather. The census database provided more precise information on the geographic distribution of people with disabilities.

Identifying Federal Programs That Target People With Disabilities

The major sources used to identify federal programs were the Catalog of Federal Domestic Assistance (CFDA), agency documents, and interviews with federal officials. We defined a federal program as a function of a federal agency that provides assistance or benefits[27] to a state or states, territorial possession, county, city, other political subdivision, or grouping or instrumentality thereof; or to any domestic profit or nonprofit corporation, institution, or individual, other than an agency of the federal government. We defined the scope of our review to include those programs meeting one or more of the following criteria: (1) people with disabilities are specifically mentioned in the legislation as a targeted group; (2) people are eligible for the program wholly or partially because of a disability; (3) people with disabilities are given special consideration in eligibility assessments; or (4) program officials are directed to give priority to serving people with disabilities. In general, we included all programs that explicitly recognized disability or handicap, regardless of how (or whether) the program or legislation defined disability.

Programs that serve individuals without respect to disability but that serve some individuals with disabilities (for example, Aid to Families With Dependent Children) are beyond the scope of this report. We also omitted those programs that exclusively funded medical research. Our definition of federal programs also excluded federal legislation that does not authorize the direct expenditure of federal funds but instead provides indirect support or imposes mandates on federal or nonfederal entities. For example, the Javits-Wagner-O'Day Act of 1971 authorizes federal agencies to procure selected goods and services from sheltered workshops for blind or severely disabled individuals.[28] Although we excluded these types of federal efforts from our analysis of federal

[27]Our definition of a program is consistent with that of the CFDA, which states that assistance or benefits includes any activity, service, or anything of value, the principal purpose of which is to accomplish a public purpose authorized by federal statute.

[28]This act was an amendment to the Wagner-O'Day Act of 1938, which authorized purchases from sheltered workshops for blind individuals.

programs, we described some of the most important of these efforts in the report.

To analyze in more detail those programs that affect employment issues, we divided these federal programs into three groups: (1) employment-focused programs that provide services such as job training, supported employment, job placement, and employment counseling; (2) employment-related programs that provide services that could reduce barriers to employment—such as transportation, health care, or assistive technology; (3) programs unrelated to employment that provide services that are unconnected (or could have only a remote connection) to employment—such as services to infants and toddlers.

Identifying Information on Program Expenditures

We gathered information on 1990 and 1994 expenditures using the Consolidated Federal Funds Report (CFFR) compiled by the Bureau of the Census. The CFFR tracks the majority of federal domestic outlays and is the best information available on expenditures or obligations. For some programs, agencies had not reported information to the Census Bureau; we attempted to gather the information from the agencies. In other cases, this information was not available. For many of these cases, the agency performed the program's activity in conjunction with other agency activities, and we could not distinguish funds spent for one activity from funds spent for the other. For this reason, our estimates of total expenditures on disability-related programs are likely to be underestimated. In addition, our estimates reflect federal outlays only and exclude any supplements from states and localities. (These estimates, which appear in table II.1 in app. II, reflect the federal expenditures/obligation for the entire program unless noted otherwise.)

Many federal programs are partially targeted toward people with disabilities—that is, the programs target multiple groups of individuals, with people with disabilities being only one and not necessarily the most important one. For some of these programs, agency officials track program expenditures by target group. For example, the Health Care Financing Administration tracks Medicare expenditures for the aged and for the disabled. Many partially targeted programs, however, do not track expenditures by targeted group. For example, the Transportation Department's Federal Transit Administration finances public transit systems, along with capital improvement funds to make mass transit more accessible to people with disabilities. Agency officials have found it impractical to track disability-related expenditures under this program,

particularly since it is impossible to know riders' disability status and whether or not they are using public transportation for work or some other activity. Because we could not distinguish expenditures under many partially targeted programs, we created an interval estimate of disability-related expenditures. At the lower bound, none of the expenditures for these programs were included; at the upper bound, all expenditures for these programs were included.

Federal Programs Targeting People With Disabilities

This appendix presents an overview in table II.1 of the 130 federal programs that we identified as targeted to people with disabilities.[29] Each program's administering department or agency, services, and the individuals or groups who ultimately benefit from these services are included. Each program's 1994 funding, the degree of targeting, and the type of applicant are also included. The order we used to list programs corresponds to the five-digit program identification number assigned by the Catalog of Federal Domestic Assistance (CFDA).

The first column of table II.1 contains the CFDA five-digit program identification number. The first two digits identify the federal department or agency that administers the program, and the last three digits are unique codes identifying a program. For example, programs starting with "14" are administered by the Department of Housing and Urban Development (HUD) and those starting with "96" by the Social Security Administration (SSA). For programs not listed in the CFDA, the table uses the alphanumeric code the Bureau of the Census has assigned. For example, Funding for the American Printing House for the Blind is allocated through the Department of Education. All Education programs start with "84" as a program identification, and the additional alpha codes "JJJ" or "JAW" are assigned by the Bureau of the Census. Column 2 identifies the descriptive title listed in the CFDA. Column 3 shows the federal department, agency, commission, council, or instrumentality of the government with direct responsibility for program management.

Column 4 provides the most prominent services authorized under each program. Although other services may also be available, the table cites those services relevant to people with disabilities.

Column 5 describes the ultimate beneficiaries of federal assistance. Although other groups or individuals may benefit from a program, the table only describes characteristics relevant to people with disabilities.

Column 6 shows information about targeting: All programs that are partially targeted have a "P" in column 6. A partially targeted program is one that serves people with disabilities and others; a wholly targeted program provides assistance only to people with disabilities. Programs with a "W" in this column are considered wholly targeted.

[29]See app. I for details on our selection criteria.

Column 7 shows federal expenditures and/or obligations for the entire program in 1994, unless noted otherwise.[30] Broadly, the CFDA specifies three categories of federal assistance: financial, nonfinancial, or a combination of both. For programs that provide any financial assistance, the table shows the total amount spent or obligated in 1994 as identified through the Bureau of the Census. Programs that provide nonfinancial assistance have "NF" in column 7 because the census only tracks financial assistance for each program. Some programs have "NA" in column 7 because expenditure information was unavailable.[31]

Column 8 identifies the applicant for each program. The CFDA defines applicants as any entity or individual eligible to receive funds from a federal program. Generally, the applicant and the beneficiary will be the same individual or group for programs that provide assistance directly from a federal agency. However, financial assistance that passes through state or local governments will have different applicants and beneficiaries. We classified applicants into the following five groups: individuals, nonfederal governmental entities, nongovernmental entities, other, and the general public.

[30]Agencies responsible for many of the partially targeted programs could not separate programs expenditures/obligations into disability-related and nondisability-related categories.

[31]See app. I for details about this database.

Table II.1: Federal Programs Targeting People With Disabilities

Program number	Program title	Department or agency[a]	Services
10.415	Rural Rental Housing Loans	USDA	Housing
14.135	Mortgage Insurance—Rental and Cooperative Housing for Moderate Income Families, Elderly, Market Interest Rate	HUD	Housing
14.138	Mortgage Insurance—Rental Housing for the Elderly	HUD	Housing
14.170	Congregate Housing Services	HUD	Housing, food, and other
14.181	Supportive Housing for People With Disabilities	HUD	Housing
14.182	Section 8 New Construction	HUD	Housing
14.235	Supportive Housing Demonstration Program	HUD	Housing
14.238	Shelter Plus Care	HUD	Housing and support services
14.407	Architectural Barriers Act Enforcement	HUD	Investigation of complaints
14.414	Non-Discrimination on the Basis of Disability by Public Entities	HUD	Investigation of complaints

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Low-income families, the elderly, and people with disabilities in rural areas	P	512,374,225	X	X	X		
The elderly and people with disabilities	P	396,179,600		X	X		
The elderly and people with disabilities	P	3,913,500		X	X		
The elderly and people with disabilities	P	6,059,000	X	X			
Very low income and physically or developmentally disabled or chronically mentally ill	W	26,230,293			X		
Very low-income families and lower income single persons with a disability	P	199,107	X				
Homeless individuals and families, especially those with disabilities	P	103,056,242		X	X		
Homeless people, especially those with disabilities	P	1,665,292		X			
Individuals with accessibility complaints	W	NF[g]	X				
Individuals with discrimination or accessibility complaints concerning public housing	W	NF	X				

(continued)

Program number	Program title	Department or agency[a]	Services
16.101	Equal Employment Opportunity	Justice	Investigation of complaints information
16.105	Civil Rights of Institutionalized Persons	Justice	Investigation of complaints information
16.108	Americans With Disabilities Act Technical Assistance Program	Justice	Information
17.207	Employment Service	Labor	Job training and/or placement assistance
17.248	Employment and Training Research and Demonstration Projects	Labor	Research
17.249	Employment Services and Job Training—Pilot and Demonstration Programs	Labor	Job training and other related services
17.250	Job Training Partnership Act	Labor	Job training and other related services
17.301	Non-Discrimination and Affirmative Action by Federal Contractors and Federally Assisted Construction Contractors	Labor	Legal assistance
17.302	Longshore and Harbor Workers' Compensation	Labor	Income support
17.307	Coal Mine Workers' Compensation	Labor	Income support
17.801	Disabled Veterans Outreach Program	Labor	Job training and/or placement assistance

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Individuals with discrimination complaints	P	NF	X				
Institutionalized individuals	P	NF	X				
People with disabilities, state and local governments, and profit and nonprofit organizations	W	1,611,240		X	X		
Job seekers, with priority to people with disabilities	P	905,562,244		X			
Researchers	P	7,292,013		X	X		
Job seekers with low income and/or other labor market disadvantages, including disability	P	NA		X	X	X	
Job seekers with low income and/or other labor market disadvantages, including disability	P	2,617,524,315		X			
Individuals with discrimination complaints involving federal contractors	P	NF	X				
Longshore and harbor workers injured or disabled on the job	W	7,279,539	X				
Disabled coal miners, widows, and other surviving dependents	W	534,304,493	X				
Disabled veterans seeking jobs	W	85,100,000		X			

(continued)

BEST COPY AVAILABLE

Program number	Program title	Department or agency[a]	Services
17.802	Veterans Employment Program	Labor	Job training and other related services
20.106	Airport Improvement Program	DOT	Transportation
20.500	Federal Transit Capital Improvement Grants	DOT	Transportation
20.513	Capital Assistance Program for Elderly Persons and Persons With Disabilities	DOT	Transportation
27.005	Federal Employment for Individuals With Disabilities	OPM	Placement assistance; information
30.011	Employment Discrimination—Title 1 of the Americans With Disabilities Act (ADA)	EEOC	Investigation of complaints
30.012	Employment Discrimination— Title 1 of the ADA Technical Assistance	EEOC	Information
42.001	Books for the Blind and Physically Handicapped	LC	Books on tape, braille, large type, etc.
47.041	Engineering Grants	NSF	Research
53.001	Employment Promotion of People With Disabilities	PCEPD	Technical assistance and training
59.021	Handicapped Assistance Loans	SBA	Business loans to individuals and sheltered workshops

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Veterans with service-connected disability, veterans of Vietnam era, or recently separated veterans	P	11,965,306		X	X		
Airport authorities or organizations; airport users to comply with ADA	P	1,686,906,685		X	X		
Public transit agencies; public transit users to comply with ADA	P	2,000,959,999		X	X		
Elderly and people with disabilities	P	NA			X		
People with disabilities	W	NF			X		
People with disabilities who have discrimination complaints	W	NF	X				
People with disabilities, state and local governments, and profit and nonprofit organizations	W	NF	X	X	X	X	
Blind and other physically disabled people	W	NF	X				
Researchers, with some preference to women, minorities, and people with disabilities	P	352,933,495	X	X	X	X	
People with disabilities, public and private organizations	W	1,068,000	X	X	X	X	
Nonprofit sheltered workshops or handicapped-owned businesses	W	9,784,823			X		

(continued)

Program number	Program title	Department or agency[a]	Services
59.038[b]	Veterans Loan Program	SBA	Business loans
64.007	Blind Rehabilitation Centers and Clinics	VA	Medical and support services
64.008	Veterans Domiciliary Care	VA	Medical and support services
64.009	Veterans Hospitalization	VA	Medical and support services
64.010	Veterans Nursing Home Care	VA	Medical and support services
64.011	Veterans Outpatient Care	VA	Medical care
64.013	Veterans Prosthetic Appliances	VA	Medical care
64.014	Veterans State Domiciliary Care	VA	Medical care
64.015	Veterans State Nursing Home Care	VA	Medical care
64.016	Veterans State Hospital Care	VA	Medical care
64.100	Autos and Adaptive Equipment for Certain Disabled Vets and Members of Armed Forces	VA	Transportation
64.104	Pension for NonService-Connected Disability for Veterans	VA	Income support
64.106	Specially Adapted Housing for Disabled Veterans	VA	Housing
64.109	Veterans Compensation for Service-Connected Disability	VA	Income support

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Small businesses owned by Vietnam-era veterans or veterans with disability	P	12,613,135	X				
Blind veterans	W	NF	X				
Low-income veterans with disabilities	W	NF	X				
Low-income veterans and veterans with nonservice-connected disabilities	P	NF	X				
Low-income veterans and veterans with service-connected disabilities	P	NF	X				
Certain veterans with disabilities	P	NF	X				
Veterans with disabilities	W	NF	X				
Veterans with disabilities	W	17,544,609		X			
Veterans with disabilities	W	136,206,330		X			
Veterans with disabilities	W	4,338,955		X			
Service members and veterans with disabilities	W	24,990,946	X				
Veterans with disabilities	W	2,225,579,347	X				
Veterans with disabilities	W	8,044,137	X				
Veterans with service-connected disabilities	W	10,976,393,239	X				

(continued)

Program number	Program title	Department or agency[a]	Services
64.116	Vocational Rehabilitation for Disabled Veterans	VA	Job training and/or placement assistance
64.118	Veterans Housing—Direct Loans for Disabled Veterans	VA	Adapted housing loans
64.123	Vocational Training for Certain Veterans Receiving VA Pensions	VA	Job training and/or placement assistance
81.042	Weatherization Assistance for Lower-Income Persons	Energy	Financial assistance to weatherize homes
84.009[f]	Chapter 1 Assistance to States for Children With Disabilities	Education	Education
84.023	Special Education—Innovation and Development	Education	Education
84.024	Early Education for Children With Disabilities	Education	Education
84.025	Services for Children With Deaf-Blindness	Education	Education
84.026	Media and Captioning Services for Individuals With Disabilities	Education	Media and captioning
84.027	Special Education—Grants to States	Education	Education
84.028	Special Education—Regional Resource Centers	Education	Information
84.029	Special Education—Personnel Development and Parent Training	Education	Training for disability professionals

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Certain veterans with service-connected disabilities	W	2,690,171,145	X				
Certain veterans with specific permanent and total disabilities	W	NA	X				
Certain recipients of VA disability pensions	P	NA	X				
Low-income households, with special emphasis on the elderly and people with disabilities	P	206,552,044		X	X		
Children with disabilities through age 21 in state-operated or -supported schools	W	113,432,639		X			
Children and youth with disabilities	W	18,856,693		X	X		
Children with disabilities aged 8 and under	W	19,010,910		X	X		
Deaf-blind children and young adults	W	12,312,577		X	X		
Individuals with disabilities	W	12,366,277		X	X		
Children with disabilities	W	2,659,361,647		X			
Children and youth with disabilities; individuals seeking information	W	6,778,000		X	X		
Special education personnel; children and youth with disabilities and their parents	W	104,492,784		X	X		

(continued)

BEST COPY AVAILABLE

Program number	Program title	Department or agency[a]	Services
84.030	Clearinghouses for Individuals With Disabilities	Education	Information
84.034	Library Services	Education	Library materials and related support
84.048	Vocational Education—Basic Grants to States	Education	Education
84.078	Post-Secondary Education Programs for Persons With Disabilities	Education	Education
84.086	Special Education—Program for Severely Disabled Children	Education	Education
84.125	Clearinghouse on Disability Information	Education	Information
84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	Education	Job training and/or placement assistance
84.128	Rehabilitation Services—Service Projects	Education	Job training and/or placement assistance
84.129	Rehabilitation Long-Term Training	Education	Job training and/or placement assistance
84.132	Centers for Independent Living	Education	Independent living
84.133	National Institute on Disability and Rehabilitation Research	Education	Research

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Individuals with disabilities; individuals seeking information	W	2,149,639		X	X		
Individuals with disabilities and others with inadequate library service	P	82,056,525		X			
Individuals in vocational education programs, with special priority to several groups, including individuals with disabilities	P	941,065,735		X			
Individuals with disabilities in selected postsecondary education programs	W	8,701,278		X	X		
Children and youths with severe disabilities	W	8,945,872		X	X		
Individuals and organizations seeking information about disability issues	W	NF					X
People with disabilities	W	2,029,629,738		X			
People with disabilities	W	20,918,755		X	X		
Rehabilitation professionals	W	25,133,000		X	X		
Individuals with significant disabilities	W	36,483,522		X	X		
Researchers; individuals with disabilities	W	66,552,586	X	X	X		

(continued)

Program number	Program title	Department or agency[a]	Services
84.158	Secondary Education and Transitional Services for Youth With Disabilities	Education	Education
84.159	Special Education—Special Studies for Persons With Disabilities	Education	Research
84.160	Training Interpreters for Individuals Who Are Deaf and Individuals Who Are Deaf-Blind	Education	Training for disability professionals
84.161	Rehabilitation Services—Client Assistance Program	Education	Information, independent living
84.169	Independent Living—State Grants	Education	Independent living
84.173	Special Education—Preschool Grants	Education	Education
84.174	Vocational Education—Community Based Organizations	Education	Education
84.177	Rehabilitation Services—Independent Living Services for Older Individuals Who Are Blind	Education	Independent living
84.180	Technology Applications for Individuals With Disabilities	Education	Assistive technology, education
84.181	Special Education—Grants for Infants and Families With Disabilities	Education	State planning
84.187	Supported Employment Services for Individuals With Severe Disabilities	Education	Job training and/or placement assistance
84.224	State Grants for Assistive Technology	Education	Assistive technology
84.231[i]	Demonstration and Innovation Projects	Education	Assistive technology

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Youths with disabilities	W	21,588,505		X	X		
Researchers; individuals with disabilities, especially children and youths	W	2,012,603		X	X		
Interpreters for deaf or deaf-blind; deaf and deaf-blind individuals	W	1,510,000		X	X		
Individuals with disabilities	W	9,502,000		X			
Individuals with disabilities	W	17,882,970		X			
Preschoolers with disabilities	W	406,103,320		X			
Individuals with disabilities and other individuals in need of special prevocational education	P	11,528,750		X			
Individuals 55 and older with severe visual impairments	W	8,025,915		X			
Children and youths with disabilities	W	10,077,164		X	X		
Infants and toddlers with disabilities	W	228,380,473		X			
Individuals with severe disabilities	W	34,170,640		X	X		
Individuals with disabilities	W	36,148,396		X			
Individuals with disabilities	W	NA		X	X		

(continued)

Program number	Program title	Department or agency[a]	Services
84.234	Projects With Industry	Education	Job training and/or placement assistance
84.235	Special Projects and Demos for Providing Vocational Rehab. Services to Individuals With Severe Disabilities	Education	Job training and/or placement assistance
84.236[k]	Training and Public Awareness Projects in Tech. Related Assist. for Individuals With Disabilities	Education	Information, assistive technology
84.237	Special Education—Program for Children With Serious Emotional Disturbance	Education	Education
84.240	Program of Protection and Advocacy of Individual Rights	Education	Protection of legal and human rights
84.246	Rehabilitation Short-Term Training	Education	Training for disability professionals
84.250	Rehabilitation Services—American Indians With Disabilities	Education	Job training and/or placement assistance
84.263	Rehabilitation Training—Experimental and Innovative Training	Education	Training for disability professionals
84.264	Rehabilitation Training—Continuing Education	Education	Training for disability professionals
84.265	Rehabilitation Training—State Vocational Rehab. Unit In-Service Training	Education	Training for disability professionals
84.JAV	Funding for Gallaudet University	Education	Education
84.JAW	Funding for American Printing House for the Blind	Education	Education

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Individuals with disabilities	W	21,850,110		X	X		
Individuals who are deaf, blind, or mobility impaired in isolated populations such as Native Americans	W	20,599,717		X	X		
People with disabilities	W	NA		X	X		
Children and youths with serious emotional disturbances	W	3,873,888		X	X		
People with disabilities	W	5,400,000		X			
Professionals working with individuals with disabilities	W	738,543		X	X		
American Indians with disabilities residing on reservations	W	6,508,329			X		
Professionals working with individuals with disabilities	W	1,052,732		X	X		
Professionals working with individuals with disabilities	W	6,290,552		X	X		
Individuals working for state vocational rehabilitation agencies	W	5,924,555		X			
Deaf individuals in certain postsecondary programs	W	52,715,000			X		
Blind persons	W	6,643,000			X		

(continued)

BEST COPY AVAILABLE

Program number	Program title	Department or agency[a]	Services
84.JCN	Funding for Construction at National Technical Institute for the Deaf	Education	Education
84.JKZ	Disabled Infants and Toddlers	Education	Education
84.JJF	Model Secondary Schools for the Deaf	Education	Education
88.001	Architectural and Transportation Barriers Compliance Board (ATBCB)	ATBCB	Information, enforce federal laws
92.001	National Council on Disability (NCD)	NCD	Information, research, monitoring public laws
93.001	Civil Rights Compliance Activities	HHS	Enforce federal laws
93.132	Managed Care Demo Models for SSI Beneficiaries Disabled Due to Addiction to Alcohol and Other Drugs	HHS	Referral and monitoring medical care
93.138	Protection and Advocacy for Individuals with Mental Illness	HHS	Protection and advocacy
93.150	Projects for Assistance in Transition from Homelessness	HHS	Rehabilitation and housing
93.173	Research Related to Deafness and Communication Disorders	HHS	Research
93.184	Disabilities Prevention	HHS	State planning

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Deaf individuals in certain postsecondary programs	W	193,000			X		
Infants and toddlers with disabilities	W	NA			X		
Deaf youths	W	(4,020)			X		
Individuals with accessibility complaints or seeking information	W	NA					X
Individuals seeking information	W	NA		X	X		
Individuals with discrimination complaints or seeking information	P	NF	X				
SSI referral and monitoring agencies	W	14,271,645		X			
Individuals who are admitted, residing, or discharged from a treatment facility	W	21,378,618		X	X		
Individuals at risk for homelessness or homeless and suffering from serious mental illness	P	28,874,000		X			
Researchers; individuals with deafness or communication disorders	W	147,391,280		X	X		
People with disabilities and their families and the general public	W	9,722,813		X	X		

(continued)

Program number	Program title	Department or agency[a]	Services
93.572	Emergency Community Services for the Homeless	HHS	Housing and support services
93.600	Head Start	HHS	Education, health, and other support services
93.613	Mental Retardation President's Committee on Mental Retardation	HHS	Assistance in coordinating federal activities and information
93.630	Developmental Disabilities Basic Support and Advocacy Grants	HHS	Information, legal assistance
93.631	Developmental Disabilities Projects of National Significance	HHS	Information, research
93.632	Developmental Disabilities University Affiliated Programs	HHS	Training for disability professionals
93.647	Social Services Research and Demonstration	HHS	Research, information
93.656	Temporary Child Care and Crisis Nurseries	HHS	Temporary child care
93.659	Adoption Assistance	HHS	Assistance with adoption costs
93.673	Grants to States for Planning and Development of Dependent Care Programs	HHS	State planning
93.674	Independent Living	HHS	Skill development, education, training

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Homeless individuals, with special emphasis on homeless individuals with disabilities, and elderly	P	19,822,356		X	X		
Low-income children, especially children with disabilities	P	3,288,875,858		X	X		
Mentally retarded individuals	W	NF					X
People with developmental disabilities	W	92,374,368		X			
People with developmental disabilities	W	4,965,620		X	X		
People with developmental disabilities	W	18,271,614		X	X		
Researchers; low-income, developmentally disabled, and Native American individuals	P	13,711,262		X			
Children with disabilities and abused or neglected children	P	11,712,432		X			
Children with disabilities and their adoptive parents	P	317,396,990		X			
Children and elderly dependents and their families, especially those with developmental disabilities	W	12,938,241		X			
Youths 16 and over who receive or have received foster care payments	W	70,834,870		X			

(continued)

Program number	Program title	Department or agency[a]	Services
93.773	Medicare Hospital Insurance	HHS	Medical care
93.774	Medicare Supplementary Medical Insurance	HHS	Medical care
93.778	Medical Assistance Program	HHS	Medical care
93.929	Center for Medical Rehabilitation Research	HHS	Research and training
93.955	Health and Safety Programs for Construction Workers	HHS	Information, prevention
93.956	Centers for Agricultural Research, Disease, Injury Prevention	HHS	Research, injury prevention
93.965	Coal Miners Respiratory Impairment Treatment Clinics and Services	HHS	Medical care
94.011[l]	Foster Grandparents	CNS	Physical, emotional, and mental care
96.001[m]	Social Security—Disability Insurance	SSA	Income support
96.002[n]	Social Security—Retirement Insurance	SSA	Income support

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
People 65 and over and other qualified disabled	P	11,700,000,000 (disabled only)	X				
People 65 and over and those who qualify for hospital insurance benefits	P	7,800,000,000 (disabled only)	X				
Low-income people over 65, blind or disabled	P	42,231,000,000 (disabled only)		X			
Researchers, people with disabilities	W	11,913,915		X	X		
Construction workers	P	15,348,905		X	X		
Researchers, general public	W	2,109,625			X		
Coal workers with respiratory impairments and their families	P	4,142,000		X	X		
Elderly; also children with special needs, including children with disabilities	P	65,863,323		X	X		
People who are unable to engage in any substantial gainful activity by reason of a medical/mental impairment that is expected to last or has lasted for 12 months and eligible dependents	P	38,458,439,713	X				
People with disabilities who "can't work" and were disabled before age 22 and some of their dependents	P	18,900,000,000 (disabled only)	X				

(continued)

Program number	Program title	Department or agency[a]	Services
96.004[o]	Social Security—Survivors Insurance	SSA	Income support
96.005[p]	Special Benefits for Disabled Coal Miners	SSA	Income support
96.006[q]	SSI	SSA	Income support
96.007[r]	Social Security—Research and Demonstration	SSA	Research and client assistance

Beneficiary eligibility[b]	Targeting P=partial W=wholly	Expenditures or obligations for 1994 (in dollars)	Applicant				
			Individuals	Nonfederal government entities[c]	Nongovernmental entities[d]	Other[e]	General public[f]
Survivors of Social Security-insured individuals, with special provisions to people with disabilities	P	63,247,942,288	X				
Individuals disabled from black lung or other lung disease directly caused by coal mine employment	W	759,710,101	X				
Low-income elderly and people with disabilities who "can't work"	P	26,010,116,116	X				
Certain SSI beneficiaries	NA	NA		X	X		

[a]CNS=Corporation for National Service; DOT=Department of Transportation; Education=Department of Education; EEOC=Equal Employment Opportunity Commission; Energy=Department of Energy; HHS=Department of Health and Human Services; HUD=Department of Housing and Urban Development; Justice=Department of Justice; Labor=Department of Labor; LC=Library of Congress; NSF=National Science Foundation; OPM=Office of Personnel Management; PCEPD=President's Committee on the Employment of Persons With Disabilities; SBA=Small Business Administration; SSA=Social Security Administration; USDA=Agriculture; VA=Department of Veterans Affairs.

[b]See introduction to this app. for explanation of beneficiary.

[c]This includes a state agency, county, parish, municipality, city, town, township, village, local public authority, school or special district, council of government, or any other instrumentality of a state, local, or regional government.

[d]This includes a private institution or other quasi-public, nonprofit organization such as a community action agency, private agency, cooperative, or any other entity that is nongovernmental.

[e]Includes federal agencies.

[f]Usually applies to programs such as technical assistance efforts or information clearinghouses.

[g]NF=nonfinancial assistance; NA=not available. See introduction to this app. for more details.

[h]Program officials told us that 59.038 was eliminated in 1995; however, the program still appeared in the 1995 CFDA.

[i]Program 84.009 was deleted in 1995.

[j]Program 84.231 was deleted in 1995.

[k]Program 84.236 was deleted in 1995.

[l]Before 1995, program 94.011 was identified as 72.001.

[m]Before 1995, program 96.001 was identified as 93.802.

[n]Before 1995, program 96.002 was identified as 93.803.

[o]Before 1995, program 96.004 was identified as 93.805.

[p]Before 1995, program 96.005 was identified as 93.806.

[q]Before 1995, program 96.006 was identified as 93.807.

[r]Before 1995, program 96.007 was identified as 93.812.

BEST COPY AVAILABLE

Federal Employment Initiatives Targeted to People With Disabilities

Over several decades, congressional concern about employment opportunities for people with disabilities has led to more than two dozen federal employment-focused programs.[32] In addition, the Congress has provided certain employment protections to people with disabilities, for example, by barring discrimination in employment on the basis of disability. Finally, several laws also provide a variety of mechanisms that indirectly support the employment of people with disabilities, for example, by authorizing federal purchases from nonprofit organizations that employ people with disabilities. These federal employment initiatives incorporate three approaches toward employing individuals with disabilities:

- In sheltered employment, individuals with disabilities work in a "sheltered workshop," which is a controlled environment providing job operations involving a limited set of tasks. Sheltered employment is most frequently used with individuals with severe functional limitations, although the blind have a long history of working in sheltered employment operations.
- Under supported employment, individuals with disabilities are integrated into a work setting but are provided postemployment services, frequently including job coaches or on-the-job training, to help facilitate the transition to employment. Federal initiatives for supported employment are intended for individuals with relatively severe disabilities.
- Competitive employment most often refers to a regular job, in which an individual does not receive postemployment services. The majority of federal placement initiatives for people with disabilities are aimed at placing individuals with disabilities in competitive employment. Services provided under such federal efforts include job training, educational support, counseling, assessment, and placement.

Federal Efforts to Promote Competitive Employment Include Legislative Mandates and Partially and Fully Targeted Programs

Federal efforts to promote the employment of people with disabilities are largely aimed at competitive employment. Some of the federal programs with a goal of competitive employment are designed exclusively for people with disabilities. Others, however, are part of the wider federal effort to promote job opportunities for people who are disadvantaged in the labor market. For example, the Job Training Partnership Act (JTPA) provides job training services mainly to the economically disadvantaged, but people with disabilities who are not economically disadvantaged may also qualify. Both wholly and partially targeted federal employment programs rely heavily on leveraging support from the private sector to place individuals in jobs and move them toward economic self-sufficiency.

[32]Employment-focused programs provide services, such as job training, supported employment, job placement, and employment counseling, that directly facilitate employment. (See app. I.)

Vocational Rehabilitation

The largest federal effort focused exclusively on facilitating employment of people with disabilities is the Vocational Rehabilitation program. Vocational rehabilitation formula grants are provided to a state on the basis of the state's per capita income and overall population.[33] States are required to submit a plan for providing services to the Commissioner of Rehabilitation Services Administration and to match 21.3 percent of federal funds. Services that can be provided with these grant funds include job training, assessment, counseling, maintenance during rehabilitation, personal assistance, placement or rehabilitation technology, and assistance in operating a business. Vocational rehabilitation counselors must draw up an Individual Employment Plan for each client to specify what that client needs to move toward employability. The program provides services as specified in the plan; these services can include virtually anything deemed necessary to facilitate a positive employment outcome. The emphasis of the program remains on competitive employment, but it can place individuals in supported or sheltered employment as well.

A number of other programs support the Basic State Grants for Vocational Education.[34] For example, several programs provide funding to train vocational rehabilitation personnel through state agencies or other public or private organizations.[35] An estimated 44,034 people participated in training (including continuing education programs) in fiscal year 1993. Another support program for the vocational rehabilitation system provides funding for special projects and demonstration efforts.[36] In fiscal year 1994, this program funded 11 new grants and 87 continuation projects in supported employment. These efforts emphasized (among other areas) services to individuals with specific learning disabilities, for example, individuals with long-term mental illness and transition services for youths with special needs. In addition, other federal programs provide grants to Native American tribes for vocational rehabilitation services to individuals

[33]See app. II for more information on Rehabilitation Services—Vocational Rehabilitation Grants to States (84.126).

[34]See app. II for more information on Vocational Education—Basic Grants to States (84.048).

[35]See app. II for more information on the following programs: Rehabilitation Long-Term Training (84.129); Rehabilitation Short-Term Training (84.246); Rehabilitation Short-Term—Experimental and Innovative Training (84.263); Rehabilitation Training—Continuing Education (84.264); and Rehabilitation Training—State Vocational Rehabilitation Unit In-Service Training (84.265).

[36]See app. II for more information on Special Projects and Demonstrations for Providing Vocational Rehabilitation Services to Individuals With Severe Disabilities (84.235).

living on reservations; another provides vocational rehabilitation services to migrant and seasonal farmworkers.[37]

Projects With Industry

The Projects With Industry (PWI) program is one of the few federal efforts that engages the private sector as a partner in expanding employment opportunities for people with disabilities.[38] Services provided to individuals with disabilities vary with different projects but generally include evaluation, counseling, training, job development, and job placement. Services may also be provided to employers, sometimes including job-site or equipment modification. The PWI program may involve grants or contracts with individual employers, state vocational rehabilitation units, or other public or private organizations. Each grantee must develop and work with a Business Advisory Council, with representatives from private industry and organized labor, and individuals with disabilities.

Vocational Rehabilitation for Veterans

The Department of Veterans Affairs (VA) has established two programs to provide vocational rehabilitation services to veterans with disabilities.[39] VA generally provides services to honorably discharged veterans who have received a 20-percent or higher VA disability rating[40] for a service-connected disability. Under a second program, veterans who are receiving a VA pension may also qualify for vocational rehabilitation services. Case managers in these programs can provide whatever services the veteran needs to facilitate employment. Some of these services include evaluation, counseling, education, training, and job placement assistance; many veterans with disabilities receive financing for higher education. However, these vocational services are time limited. Veterans must generally complete the training portion of their vocational rehabilitation plan within 48 months; participants generally cannot receive services after 12 years from the date on which their eligibility was established.[41] In program year

[37]See app. II for more information on Rehabilitation Services—American Indians With Disabilities (84.250) and Rehabilitation Services—Services Projects (84.128).

[38]The PWI program was authorized under the Rehabilitation Act of 1973. See app. II for more information on the program (84.234).

[39]See app. II for more information on Vocational Rehabilitation for Disabled Veterans (64.116) and Vocational Training for Certain Veterans Receiving VA Pensions (64.123).

[40]To assess eligibility for this and other VA programs, VA assesses disability on a percentage scale based on the kind and the severity of impairment. A veteran may receive a disability score of up to 100 percent (in 10-percent increments) for VA eligibility purposes.

[41]In exceptional circumstances, VA may grant a waiver to these time limitations.

1995, approximately 48,000 veterans with disabilities received vocational rehabilitation services.

JTPA Programs

JTPA provides job training and employment-seeking skills. It is primarily directed to economically disadvantaged people but also includes others who face employment barriers. JTPA features a unique partnership of the federal government, the states, and the private sector.[42] Although JTPA does provide support services such as child care and transportation, local JTPA providers are restricted in the amount they can spend and they often spend less than permitted. Thus, people with disabilities who require more extensive support services may need to access other programs to supplement JTPA services. In addition to its primary training program, JTPA also encompasses the residential Job Corps program and research, pilot, and demonstration efforts.[43] Individuals with disabilities can be served under all these JTPA programs, and the needs of individuals with disabilities receive special consideration in the awarding of discretionary JTPA projects. For example, in 1995, special project grants were awarded to organizations, such as Goodwill Industries and the American Rehabilitation Association, to provide job search assistance and job placement to people with disabilities. In addition, people with disabilities can sometimes qualify for JTPA without meeting income guidelines because they face a barrier to employment. JTPA's focus for its clients with disabilities remains competitive employment, although JTPA funds can be used for supported employment efforts as well.

Employment Service

Established by the Depression-era Wagner-Peyser Act,[44] the state-federal employment service (ES) provides employment offices to assist individuals looking for jobs and employers looking for workers. Through many local offices, the ES program offers an array of services, including job counseling, skills assessment and testing, job search workshops, job opening identification, and referrals to employers.[45] Services provided by ES, however, are frequently limited to job listings and some counseling. Although these services are available to everyone, states are required to

[42]See app. II for more information on JTPA (17.250).

[43]See app. II for more information on Employment and Training Research and Demonstration Projects (17.248) and Employment Services and Job Training—Pilot and Demonstration Programs (17.249).

[44]The Congress passed the Wagner-Peyser Act in 1933. Subsequent amendments to the act, especially the 1954 amendments, strengthened the priority placed on serving people with disabilities.

[45]See app. II for more information on ES (17.207).

give special consideration to people with disabilities by requiring every local ES office to designate at least one staff member to help individuals with disabilities locate employment or training. In program year 1994, ES provided assistance to an estimated 625,133 people with disabilities, which accounted for approximately 3.3 percent of ES' total clientele.

School-to-Work Transition Grants

With a joint Education/Vocational Rehabilitation plan approved by the Department of Education, states can receive project grants to provide school-to-work transition services to secondary students (14 and older) with disabilities.[46] Many of these projects implement the Individuals With Disabilities Education Act's (IDEA) requirement to provide transition services. Other institutions, such as colleges and universities and other nonprofit organizations, are also eligible for project grants to improve the school-to-work transition for students with disabilities.

Small Business Loans

Although vocational rehabilitation programs can also provide financing for small businesses, competitive employment remains that program's primary emphasis. The Handicapped Assistance Loan program awards loans to small businesses that are 100-percent owned by individuals with disabilities to provide construction or working capital. Under this program, the Small Business Administration (SBA) guarantees commercial loans with extended repayment periods to businesses. This program can also be used for sheltered workshops, as described in more detail later.[47]

President's Committee on Employment of Persons With Disabilities

Since 1947, the President's Committee on Employment of Persons With Disabilities has made efforts to develop public-private partnerships and encourage businesses to hire individuals with disabilities.[48] The committee's activities include information dissemination and coordination as well as operating the Job Accommodation Network (JAN). JAN provides information on workplace accommodations to employers, rehabilitation professionals, and individuals through a toll-free number.

[46]This program is authorized under the Individuals With Disabilities Education Act Part C. See app. II for more information on Secondary Education and Transitional Services for Youth With Disabilities (84.158).

[47]Until 1995, SBA operated a similar program that guaranteed some loans and also provided direct lending to disabled and Vietnam-era veterans. This program was discontinued for lack of funding. See app. II for more information on the Handicapped Assistance Loan (59.021) and the Veterans Loan programs (59.038).

[48]See app. II for more information on this program (53.001).

Federal Employment for People With Disabilities

The Office of Personnel Management operates the federal Selective Placement Program, which provides federal agencies with assistance in placing federal employees who have become disabled and in recruiting employees with disabilities to federal service. Under this program, people with disabilities can apply for federal employment without going through the normal competitive process.[49]

Americans With Disabilities Act

The Americans With Disabilities Act (ADA) of 1990 established a clear and comprehensive prohibition against discrimination on the basis of disability. Among other protections, ADA established regulations focused on removing architectural, communications, and transportation barriers. Regarding employment, ADA essentially prohibits organizations employing 15 or more employees from discriminating against a qualified individual with a disability because of the disability in the job application or hiring process, in advancement or discharge of employees, employee compensation, job training, or other conditions of employment. ADA protects individual applicants or employees as long as they can perform all essential functions of the job with or without reasonable accommodation. To be reasonable, an accommodation must not impose an undue hardship on the employer and must enable the individual with a disability to perform the necessary work. For example, a reasonable accommodation for an individual in a wheelchair might be to raise his or her desk so that the wheelchair can fit comfortably beneath it. ADA is a mandate and not a federal program as such, although programs have been set up to enforce the provisions of the law.[50] Nonetheless, the ADA remains a key part of the federal commitment to promote employment of people with disabilities.

Nondiscrimination in Employment

Through several different legislative actions, the federal government has prohibited employment discrimination solely on the basis of disability for federal contractors, state and local governments, and private businesses with 15 or more employees. Several programs have been set up to enforce these provisions. The Office of Federal Contract Compliance Programs is responsible for investigating complaints against federal contractors.[51] The Department of Justice is responsible for investigating and prosecuting cases of employment discrimination under ADA against state and local

[49]See app. II for more information on this program (27.005).

[50]See app. II for more information on Equal Employment Opportunity (16.101), Civil Rights of Institutionalized Persons (16.105), and the ADA Technical Assistance program (16.108).

[51]See app. II for more information on Non-Discrimination and Affirmative Action by Federal Contractors and Federally Assisted Construction Contractors (17.301).

governments, and the Equal Employment Opportunity Commission is responsible for ADA cases involving private-sector employees. These bodies may prosecute a case, decide that no cause for suit exists, or give clearance for an individual to file the case in federal court on his or her own.

Randolph-Sheppard Vending Program

The Randolph-Sheppard Act in 1936 set up a program for blind individuals that gives organizations working with the blind preference in operating vending facilities on federal property. Under this program, these organizations may be granted rights to place vending machines or sell other items in federal buildings. The gross receipts of Randolph-Sheppard vending facilities totaled $388.8 million during fiscal year 1990.

Targeted Jobs Tax Credit

The Targeted Jobs Tax Credit (TJTC), which expired in 1994, was established by the Congress to promote employment for disadvantaged people. The Congress authorized this special tax credit to induce private businesses to employ people who were chronically unemployed, disadvantaged youth, welfare recipients, and people with disabilities. The tax credit amounted to 40 percent of the first $6,000 in wages during the first year of employment. For an employer to qualify for the tax credit, the worker must have been employed for at least 90 days or have completed at least 120 hours of work. Approximately 8 percent of the individuals benefiting from the TJTC were people with disabilities.

Federal Financing for Supported Employment Is Limited

Two federal programs provide financing for supported employment programs: one program provides aid to state programs, the other finances projects directly.[52] In addition, many states finance some supported employment services through state grant programs that receive funds from HHS to provide services to individuals with developmental disabilities. These programs provide ongoing (although generally time-limited) postemployment support to individuals with disabilities to help them maintain community employment.

[52]Both supported employment programs derive their authorization from the 1986 amendments to the Rehabilitation Act of 1973. See app. II for more information on Supported Employment Services for Individuals With Severe Disabilities (84.187) and Rehabilitation Services—Service Projects (84.128).

Supported Employment Grants to States

Under this program, states are given formula grants to provide supported employment services. This program is intended to provide services to individuals with severe disabilities to allow them to get jobs.[53] These services can include job coaches, ongoing supports, training for coworkers, and a variety of other services designed to enable individuals to adjust to the workplace. Services provided under this program are generally limited to 18 months; after this time, states must either find additional funds to pay for continuing services or discontinue the services and see if the individual can continue without the additional support.

Supported Employment Special Projects

This program awards grants to public and nonprofit agencies, including states, to conduct special projects and demonstrations to expand or assist supported employment services to individuals with the most severe disabilities.[54] In fiscal year 1993, this program supported 13 new community-based projects, 14 continuing community-based projects, and 16 grants to states for systems-change projects. Services under this program are like services provided under the state grant and can include assistance to employers in training coworkers, assistive technology, and job coaches. Like the formula grants to states program, this program allows recipients to use these funds to build community capacity to provide these services.

Federal Government Provides Indirect Support for Sheltered Workshops

Federal financial help also supports sheltered workshop employment for people with disabilities. This support, however, is generally somewhat indirect, coming from federal purchases, exemptions from federal wage laws, and some business loans.[55]

Federal Purchases (Javits-Wagner-O'Day Act)

The Javits-Wagner-O'Day Act established an initiative under which federal agencies may purchase selected goods and services from sheltered

[53]See app. II for more information on Supported Employment Services for Individuals With Severe Disabilities (84.187).

[54]This program also supports recreational activities for individuals with disabilities to aid in their employment, mobility, socialization, independence, and community integration. An estimated 20,346 people were served under this portion of the program. See app. II for more information on Special Projects and Demonstrations for Providing Vocational Rehabilitation Services to Individuals With Severe Disabilities (84.235).

[55]As with supported employment, some states choose to use their funding under developmental disabilities programs to support sheltered workshops.

workshop providers. In fiscal year 1991, $431.55 million in contracts were awarded to 497 such workshops.

Relief From Minimum Wage Laws

Under the Fair Labor Standards Act, sheltered workshops may apply to the Secretary of Labor for exemptions from the minimum wage law.

Small Business Loans

SBA may award handicapped assistance loans to sheltered workshops for construction or working capital. For workshops to be eligible, at least 75 percent of the work hours for the direct production must be performed by people with disabilities. The Handicapped Assistance Loan program also provides loans to small businesses wholly owned by people with disabilities.

Geographic Distribution of Expenditures for Selected Wholly Targeted, Employment-Focused Programs

The disability programs we examined differ in their services, objectives, size and scope, and in how they distribute program dollars. Although many of these federal programs allocate their funding to state governments or local providers, the programs generally have established different mechanisms for doing so. For example, the federal-state Vocational Rehabilitation program allocates its funding to state governments on the basis of a formula that includes state population and per capita income. By contrast, the Labor Department's Special Projects for Employment of Persons With Disabilities program awards grants to states or local providers on the basis of applications and proposals. Thus, the aggregate distribution of funds among states and geographic areas reflects these different allocation mechanisms in combination and may not resemble the distribution that would result from any one mechanism in particular. In addition, the aggregate distribution of funds among states under a multiple program structure may not represent the distribution that would have been chosen under a more integrated system.

To illustrate the distribution effects of the allocation mechanisms currently used by disability programs, we examined the state distribution of funds for those wholly targeted, employment-focused programs that channel funds to locations nationwide. We compared this distribution with the distribution of people with disabilities by state and then looked at the per capita amounts available to each state under these programs.

Our analysis focused on eight programs that represent the majority of funds distributed under employment-focused programs.[56] We chose to limit our illustration to wholly targeted programs because people with disabilities represent a relatively small portion of clients served by many of the partially targeted programs. Without reliable data on state-by-state spending on people with disabilities only, we could not incorporate partially targeted programs without distorting the analysis. Of the 26 employment-focused programs that we identified, 9 were partially targeted and thus excluded from our analysis. An additional four programs provided advice to people with disabilities and their employers from central locations, and five programs did not report state-by-state spending information. Thus, eight programs remained for our analysis. Table IV.1 shows 1990 federal expenditures of eight wholly targeted, employment-focused programs.

[56]A wholly targeted program is one that only serves the needs of people with disabilities. Employment-focused programs are those that directly facilitate employment through services such as job training and placement and employment counseling. See app. I.

Table IV.1: Federal Expenditures of Eight Wholly Targeted, Employment-Focused Programs, in 1990

Program number	Program title	Applicant[a]	Funding mechanism/ cost sharing or matching (Y/N)[b]	Expenditures in 1990
17.801	Disabled Veterans' Outreach	State employment agencies	Formula grants (N)	$964,852
59.021	Handicapped Assistance Loans	Nonprofit agencies and individuals	Direct loans (N)	12,508,329
64.116	Vocational Rehabilitation for Disabled Veterans	Individual veterans	Direct payments (N)	129,062,141
84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	State agencies	Formula grants (Y)	2,028,193,744
84.128	Rehabilitation Services—Service Projects	State and nonprofit agencies	Project grants (Y)	69,114,000
84.129	Rehabilitation Long-Term Training	State and nonprofit agencies	Project grants (Y)	29,507,158
84.158	Secondary Education and Transitional Services for Youth With Disabilities	State and nonprofit agencies	Project grants (N)	7,922,550
84.187	Supported Employment Services for Individuals With Severe Disabilities	State agencies and other private or nonprofit agencies	Formula grants (N)	34,220,912
Total				**$2,311,493,686**

[a]The Catalog of Federal Domestic Assistance (CFDA) states that applicants and beneficiaries are generally the same for programs that provide assistance directly from a federal agency. However, financial assistance from state or local governments or other entities has different applicants and beneficiaries. Applicants are those individuals or entities that can apply for federal assistance. Beneficiaries are those individuals or entities that ultimately benefit from federal assistance.

[b]Some programs—those designated as "Y" in table IV.1—have a cost-sharing component or may require a matching amount. For example, the Vocational Rehabilitation program is 80-percent federal, and the states provide an additional 20 percent. Our expenditure estimates only reflect federal outlays.

Sources: CFDA and the Consolidated Federal Funds Report (CFFR), Bureau of the Census.

We obtained the information in this appendix from publicly available data through the Bureau of the Census. Specifically, we derived summary

statistics from the Census of Population and Housing, 1990, and we derived expenditure data from the Consolidated Federal Funds Report (CFFR). Our selection of employment programs was based on the availability of expenditure data for wholly targeted programs.

Many Wholly Targeted, Employment-Focused Programs Distribute Benefits Through State or Nonprofit Agencies

As shown in table IV.1, approximately $2.3 billion was distributed in 1990 through eight employment programs that were wholly targeted to people with disabilities. Many of these programs funded state, local, private, or nonprofit entities that administered services in their area. These organizations included institutions of higher learning, state vocational rehabilitation agencies, job training councils, local educational agencies, or other appropriate public or private nonprofit institutions. No single agency or department had both the responsibility and authority to administer these employment programs. Of the eight we selected, the Department of Labor, the Small Business Administration (SBA), and the Department of Veterans Affairs (VA) administered one program each. The remaining five programs were administered through the Department of Education, including the largest, Vocational Rehabilitation (see table IV.1).

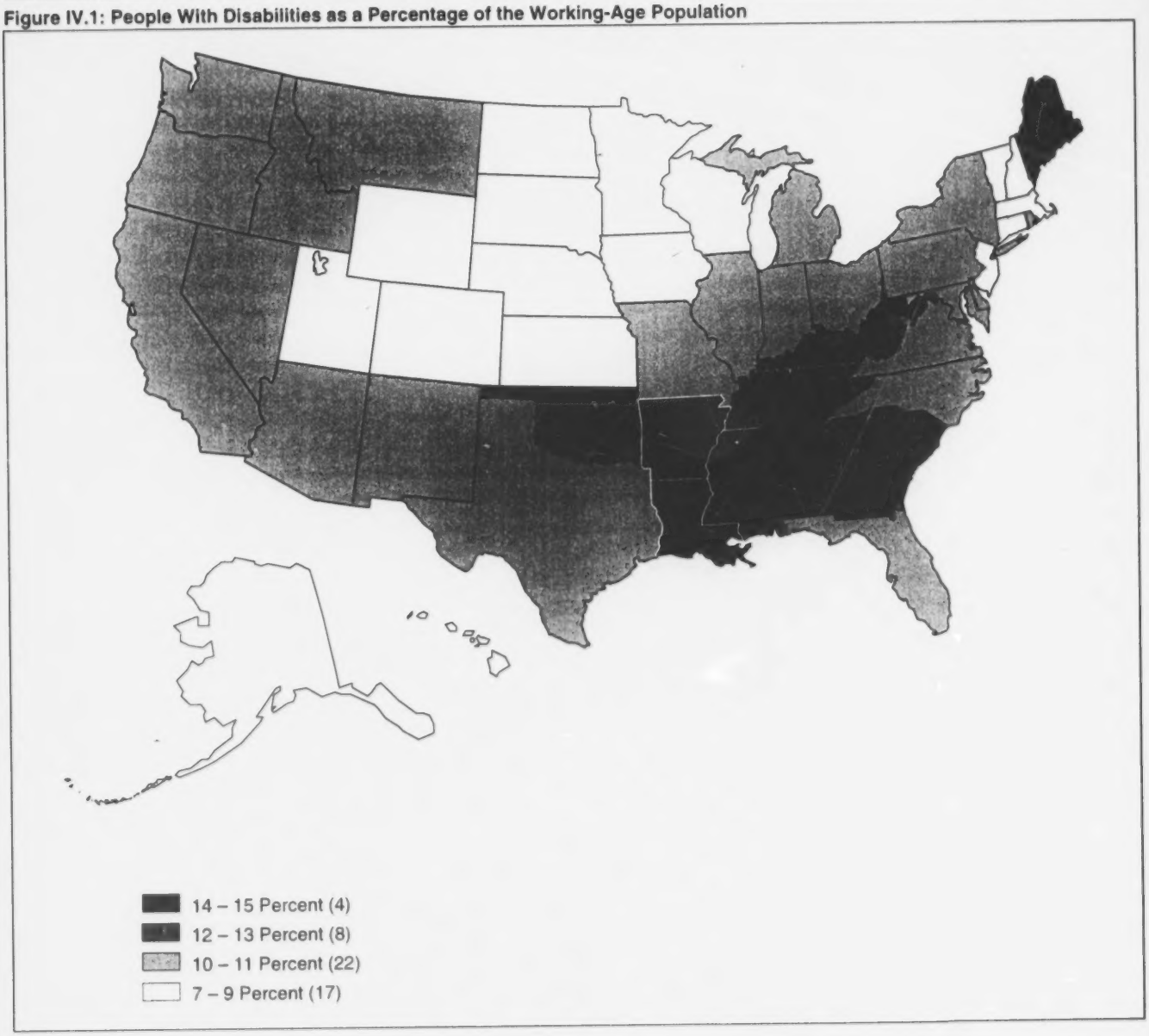
Programs that used a decentralized program structure distribute funds through a formula or project proposals (see table IV.1). The largest program, Rehabilitation Services—Vocational Rehabilitation Grants to States, distributes funds through a formula and accounts for over 80 percent of the total amount available for people with disabilities in employment assistance. Formulas are also used by the Supported Employment and the Disabled Veterans' Outreach programs. Under these programs, the states' annual allotment is based on population characteristics such as per capita income, total population, or the number of disabled veterans in the state. Programs that used project grants to make allotments include Rehabilitation Services—Service Projects, Rehabilitation Long-Term Training, and Secondary Education and Transitional Services for Youth With Disabilities. For each of these, the state or service provider must apply for funding. Consequently, the variation in expenditures may relate to the population characteristics as well as the success of these local organizations in pursuing additional funds.

People With Disabilities as a Percentage of the Working-Age Population Generally Highest in Southern States

As shown in figure IV.1, in 1990, the disabled working-age population as a percentage of the total working-age population across states varied between 7 and 15 percent.[57] Southern states had the highest concentration of the disabled. For example, the percentage of working-age disabled people in West Virginia was around 15 percent of the total working-age population. Other southern states were also in the higher end of the distribution. States such as Kentucky and Alabama registered a disabled working-age population around 13 percent. In highly populated states like California, New York, Texas, Florida, and Illinois, the disabled working-age population was generally between 10 and 11 percent. In contrast, sparsely populated states, such as Wyoming, and states in the High Plains, such as North Dakota and South Dakota, had disabled working-age populations of less than 10 percent.

[57]These figures reflect a composite of individuals 16 to 64 who reported a work, mobility, or personal care limitation to the 1990 census. The size of the disability population is extremely sensitive to how disability is defined. Our estimates are derived using data from the Bureau of the Census (see apps. I and V for additional details).

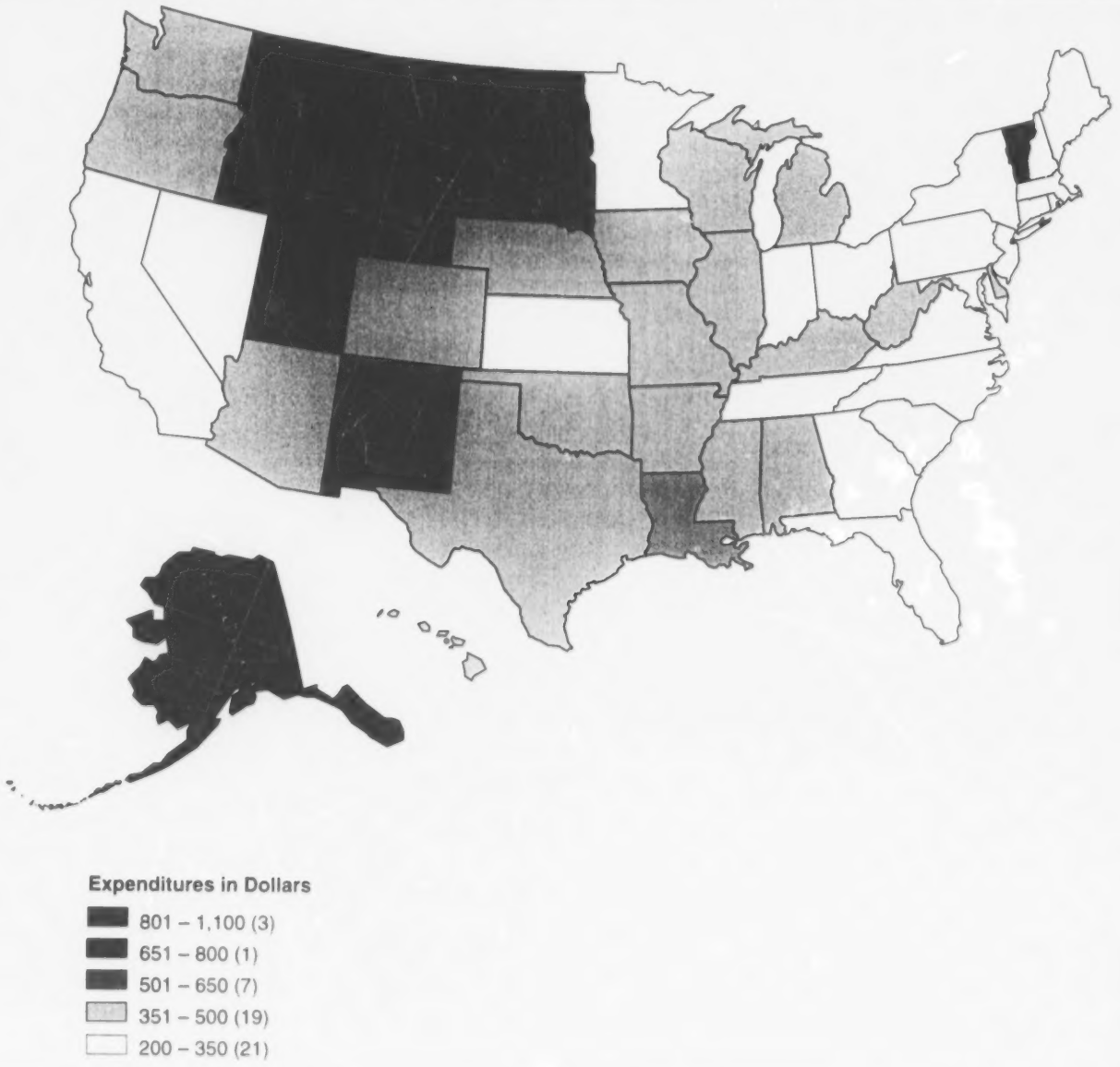
Figure IV.1: People With Disabilities as a Percentage of the Working-Age Population



Distribution of Federal Funds for Employment-Focused Programs Differs From That of Working-Age People With Disabilities

As shown in figure IV.2, in 1990, these programs distributed to states between $200 and $1,100 per working-age person with a disability. Approximately 40 states have less than $500 available per person in the working-age disabled population. Although southern states have higher percentages of people with disabilities in their working-age population, these states were in the lower end of the expenditure distribution. Florida, Georgia, and South Carolina, for example, have between $200 and $350 available per disabled person. Large, highly populated states such as California and New York, were also in the lower end of the distribution, although sparsely populated states, such as Wyoming and North Dakota, were in the higher end.

Figure IV.2: Expenditures on Employment-Focused Programs per Working-Age Person With a Disability



Data Limitations of This Analysis

The distribution of federal dollars must be interpreted cautiously due to limitations in the availability of data for several reasons. First, data derived from the CFFR are the best estimates of federal obligations or outlays available.[58] Because these data are estimates, however, in any given year, actual outlays may be higher or lower because program funds may be deobligated at any time. Similarly, although this analysis accounts for the majority of federal expenditures on employment-focused programs, we could not obtain sufficiently reliable data to allow us to analyze expenditures on partially targeted programs.

Moreover, per capita amounts may conceal reasonable underlying factors not captured by our data sets such as money that states or local jurisdictions raise. For example, the largest employment program, Vocational Rehabilitation, requires state and local jurisdictions to provide a matching component. While these funds increase the overall expenditures available, our estimates reflect only federal outlays.

[58]The outlays include grants, direct loans, guaranteed loans, indemnity claims, retirement and disability claims, federal insurance coverage as well as some data on procurement contracts.

Definitions of Disability and Population Estimates of People With Disabilities

Disability Is Difficult to Define and Measure

One of the most contentious aspects of disability research is also the most basic—the definition of disability. Different federal programs use different operational definitions of disability, as do researchers, advocacy groups, and other interested parties. Some of this variation occurs because many groups define disability for different purposes and thus use different criteria for evaluating a definition. For example, a relatively broad definition of disability would encompass a wide array of people with disabilities; however, some broader definitions can be quite subjective. Researchers may prefer a definition that can be used with existing data sources; program officials must be concerned with definitions that can be measured and verified. Three fundamental issues about the nature of disability contribute to these definition and measurement differences:

- Scope of definition—Defining disability involves distinguishing between normal variations among individuals and conditions that are disabling.
- Duration of a condition—Because a person's disability status may change over time, some researchers argue that disability should be continually re-evaluated and remeasured and that temporary or sporadic conditions should be considered in evaluating disability. Others contend that only permanent conditions should be considered. A condition (such as rheumatoid arthritis) may be limiting but may have only sporadic impact on an individual's ability to function—so even differentiating between permanent and temporary disabilities can be difficult.
- Variation in application—Even with the most clear-cut definitions of disability, applying the criteria involves an inherent judgment. Two parties may agree on a definition of disability but may then apply different classifications of who is disabled. For example, a significant difference exists in the number of people identified as eligible for disability insurance by the state disability determination services and by administrative law judges.[59]

Not only is disability hard to determine under any given definition, but definitions of disability vary widely. We identified many different definitions used by programs, researchers, and advocacy groups. (Table V.1, at the end of this appendix, lists some examples of these definitions and their sources.) Relying on functional assessment, medical criteria, or individual perception, these definitions emphasize different aspects of disability—from the individual's ability to work, for example, to the role of the person's physical environment in shaping the degree of disability.

[59]Social Security: Disability Rolls Keep Growing, While Explanations Remain Elusive (GAO/HEHS-94-34, Feb. 11, 1994), pp. 26-27.

The number of disability definitions combined with differences in measurement techniques have resulted in estimates of the number of people with disabilities that range from 3.5 million to 49 million. Although many definitions are similar, even subtle differences in the population included, the survey used, or the definition of disability can have far-reaching effects on how many individuals are counted as having a disability. For example, estimates from the 1990 Survey of Income and Program Participation (SIPP) indicated that 8.6 million Americans aged 16 to 67 were "unable to work" due to disability; the 1990 census estimated that 6.6 million Americans aged 16 to 64 were "unable to work" due to disability—a difference of nearly one-third. When the definition of disability is widened to include individuals who are "limited in work," 1990 to 1993 estimates range from 12.9 million to 19.5 million. Table V.2, at the end of this appendix, shows the differences in the estimated disability prevalence in the United States using different definitions and sources.

Disability Is Most Commonly Defined by Measures of Functional Limitation

The most common method of defining disability—both for researchers and under federal programs—is based on functional limitation. Under this type of definition, an individual is considered to have a disability if he or she is limited in, or unable to perform, a certain activity or activities. The definition can be broad or narrow, depending on whether activities are specified narrowly or widely and on whether the individual must be unable to do the activity or must only be limited. The term "limited" may refer to the type or amount of activity. For instance, a person with arthritis may be unable to perform some types of household chores (such as sewing) but may be able to do other tasks (like laundry) without any problem. Similarly, a person with another condition may be able to do any chore for a short period of time but may need to rest before attempting to complete the task. Activities can also be specified widely or narrowly. For example, some survey questions leave the term "activities" to be defined by the respondent. Other instruments confine the definition of activities to a specific list, like the activities of daily living (ADL) or the independent activities of daily living (IADL).[60] As an example, a broader definition of disability could characterize individuals with a disability as "limited in performing any of their usual activities;" a narrower definition could characterize individuals with a disability as being "unable to work at a full-time job."

[60]ADLs include such activities as feeding and dressing oneself, bathing, and the like. IADLs include household chores such as grocery shopping, meal preparation, and the like.

Widely Ranging Functional Definitions Are More Inclusive, but Can Be Harder to Measure

Some disability advocates find a wide-ranging functional approach to disability definition appealing because it measures the impact on an individual's condition without regard to the cause of that condition. Others have criticized many of these definitions, however, as being too general to make effective distinctions among individual cases. Although narrowing the scope of the activities considered would make the definition more specific, it would also increase the probability that individuals would be arbitrarily excluded. In addition, even when the activities are defined fairly narrowly—with ADLs or IADLs, for example—measuring or verifying disability can be difficult.

Survey evidence demonstrates the effect of adopting a widely ranging functional definition as opposed to a narrower one. For example, when the 1990 census asked individuals if they were limited in their mobility (for example, going out of the house or to a store by themselves), an estimated 3.5 million individuals aged 16 to 64 were identified as disabled. However, in the 1991 SIPP, an estimated 27 million individuals aged 21 to 64 were identified as disabled when the definition included having a functional limitation in any activity; and an estimated 49 million individuals of all ages were considered disabled when the definition included having a functional limitation in any activity and when examples were provided.

"Can't Work" Definitions Are More Specific but Still Difficult to Apply

Several disability definitions take a narrow view of activity limitation, with employment as the only activity. For example, income maintenance and pension programs often define disability to include only those individuals who cannot work because of their impairment.[61] These definitions allow programs to focus on individuals for whom employment is deemed unfeasible and thus may be in greater need. A "can't work" definition, however, requires judgment not only of an individual's physical conditions, but also of his or her capabilities in a wide variety of potential employment situations. This makes implementing the definition problematic, especially in recent years because improvements in information technology, an increased emphasis on accommodation in the workplace, and new models of working with individuals with disabilities (such as supported employment) have complicated assessments of the ability to work. Medical and legal determination of the ability to work is thus labor intensive. The emphasis on ability to work has also been criticized by analysts who believe that this definition creates a strong disincentive to employment. Because applicants must prove that they cannot work to

[61]The major U.S. income maintenance programs (Social Security's Supplemental Security Income (SSI) and Disability Insurance (DI)) define disability this way.

receive benefits and may risk losing these benefits if they become employed, they may be reluctant to look for a job. In addition, having proved to the authorities that they are unable to work, disability beneficiaries may agree with this assessment and thus not try to enter the labor force.

Many household surveys include questions that reflect this kind of broad "can't work" definition, for example, "Do you have a health condition that limits your ability to work?" or "Are you unable to work because of a disability?" or "Do you have a condition that limits the type or amount of work you can do?" In 1990, the number of working-age individuals who reported they were unable to work or limited in work ranged from 12.9 million to 19.5 million; the number reported as unable to work ranged from 6.6 million to 14.2 million.[62]

Disability Sometimes Defined as the Presence of Specific Conditions

Some definitions consider an individual disabled if he or she has one or more of a specified list of medical conditions. For example, vocational education programs define students as having a disability if they are "mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, other health impaired, deaf-blind, multihandicapped, or have specific learning disabilities, who because of these impairments, need special education and related services, and cannot succeed in the regular vocational education program without special education assistance." In addition, some functional definitions of disability specifically exclude certain conditions. For example, the definition of disability in the Americans With Disabilities Act (ADA) excludes psychoactive substance abuse, transsexualism, pedophilia, compulsive gambling, and kleptomania (among other disorders).

These definitions are presumably relatively straightforward because they require only an assessment of a medical condition, not an evaluation of an individual's ability to function with this impairment. However, a medical definition generally contains no information on the severity of the condition and ignores potentially debilitating conditions not included on the list. Thus, a medically based approach may sometimes be as arbitrary as a more subjective definition. In addition, medically based definitions would presumably require certification and may be expensive to verify.

[62]Survey results on this particular question may suffer from response bias, that is, respondents who are not in the labor force—whether they receive government benefits or not—may prefer to tell the interviewer that they cannot work rather than say they choose not to work. For this reason, all these estimates should be interpreted cautiously.

Relatively little up-to-date information on the prevalence of specific medical disorders exists in the United States. The data that are available, however, suggest that definitions of disability based on medical conditions may be quite distinct from definitions based on an individual's functional ability, and may classify large numbers of individuals as having a disability. For example, the 1993 National Health Interview Survey (NHIS) reported that, of Americans aged 18 to 64, 13.2 million were hearing impaired; 5.8 million were visually impaired; and 0.9 million had palsy, cerebral palsy, or mental retardation. Fully 61 percent of the visually impaired and 65 percent of the hearing impaired reported no limitation in the kind or amount of work they could do—indicating that medical condition and self-perception of ability to work are distinct concepts. Results from the National Comorbidity Survey administered between 1990 and 1992 indicated that during the previous 12 months as many as 29 percent of individuals may have had at least 1 of 14 psychiatric disorders, including major depression, anxiety disorders, and substance abuse.[63]

Other Disability Definitions Are Less Commonly Used

Researchers have used two other types of disability definitions that are less practical for programmatic purposes. For example, individually defined disability is used in some survey data. This measure classifies an individual as disabled on the basis of self-assessment or on the opinions of others. No explicit definition of disability is used, so each individual answers the question using his or her own concept of what it means to be disabled. An individually defined concept of disability could capture some people who would not be included under more restrictive definitions, but this definition is likely to be inconsistent and thus unreliable to distinguish among individual cases. A second type of definition is an environmental/societal-based definition of disability, which emphasizes the role of the surrounding environment in determining the extent of an individual's limitations; that is, it assesses whether the person can function independently given the environment he or she must face. These definitions require consideration of both the individual's physical or mental condition and the surrounding environment. For example, under such a definition, an individual in a wheelchair may be considered disabled if he or she lives in a city with no public transportation and no curb cuts but might not be considered disabled in a city that had these features. Assessing functional ability in the context of both the individual and the environment or society is not only subjective but extremely difficult—the environment is all encompassing and frequently changing.

[63]Ronald C. Kessler, et al., "Lifetime and 12-Month Prevalence of DSM-III-R Psychiatric Disorders in the United States: Results from the National Comorbidity Survey," June 1993.

However, this type of definition does raise the public's awareness of the role of the environment in determining individuals' capabilities.

Table V.1: Examples of Different Definitions of Disability, by Source and Type

Definition	Source[a]	Type
". . . a limitation that affects an individual's ability to perform certain functions."	Disability community/ advocacy group	Functional
"Had a disability or health problem that prevented him or her from participating fully in work, school, or other activities."	Louis Harris Survey and DeJong	Functional
"Individuals with significant physical or mental impairments whose abilities to function independently in the families or communities or whose ability to obtain, maintain, or advance in employment is substantially limited. Eligibility shall not be based on the presence or absence of any one or more specific severe disabilities."	Centers for Independent Living Program (84.132)	Functional
". . . departure from normal role functioning attributable to a health-related condition."	Nagi as quoted in Chirikos	Functional
Unable to perform at least three ADLs or IADLs without assistance.[b]	HUD Congregate Housing (14.170)	Functional/ADL or IADL
". . . any restriction or lack (resulting from an impairment) to perform an activity in the manner or within the range considered normal." (Note: WHO also defines an "impairment" as "a psychological, anatomical, or mental loss, or some other abnormality.")	World Health Organization (WHO)	Functional
". . . a physical or mental impairment which substantially limits one or more of the major life activities of such individual; a record of having such an impairment; or being regarded as having such an impairment." (excluding specific conditions, especially current substance abuse)	ADA	Functional
". . . are incapable of regularly pursuing any substantially gainful employment due to a disability that is likely to be of long or indefinite duration or is likely to result in death." Also, ". . . unable to perform their usual occupation due to a disability that is likely to be of long or indefinite duration or is likely to result in death."	Canadian disability insurance/income maintenance program as reported in Maki	Functional/can't work
". . . individuals with mental or physical impairments that reduce their capacity to work by at least 50 percent; individuals who are at least 30 percent impaired and unemployed are also considered handicapped."	German disability agency as reported in Burkahauser	Functional/can't work
Either (a) receives benefits from a government disability program or (b) reports a limitation on his or her ability to work.	Haveman and Wolfe	Functional/can't work
Limited in the type or amount of work (or housekeeping if housekeeping is considered to be the "primary occupation").	Reisine and Fifield; Chirikos; DeJong; Stern	Functional/can't work
The inability to engage in substantial gainful activity, by any medically determinable physical or mental impairment which can be expected to result in death or has lasted or is expected to last for a continuous period of not less than 12 months.	DI and SSI	Functional/can't work
Having one or more of the following physical conditions—"weakness/lack of strength; trouble with fingers; trouble walking, standing, or with stairs; in a wheelchair; trouble seeing/blind; trouble with leaving bed or leaving home; trouble lifting; deaf; trouble with stiffness or pain; trouble with seizures or spasms; mental illness; mental retardation."	Stern	Medical

(continued)

Definition	Source[a]	Type
"Mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, other health impaired, deaf-blind, multihandicapped, or have specific learning disabilities, who because of these impairments, need special education and related services and cannot succeed in the regular vocational education program without special education assistance."	Vocational education programs; also other Education programs	Medical
Having one or more of the following physical conditions—"major amputations, cerebral palsy, major head injury, Friedreich's ataxia, muscular dystrophy, spina bifida, amyotrophic lateral sclerosis, cystic fibrosis, spinal cord injury, multiple sclerosis, post-polio, stroke."	DeJong	Medical
Individuals with "mental retardation; hearing impairments; speech, or language impairments; visual impairments; serious emotional disturbance; orthopedic impairments; autism; traumatic brain injury; other health impairments; specific learning disabilities; . . . that need special education and related services."	Special education programs	Medical
"A person was defined as having a disability if he or she considered himself or herself to have a disability or said that other people would consider him or her to be a person with a disability."	National Organization on Disability - Louis Harris Survey	Individually defined
How would you describe your health? (excellent, good, fair, poor)	Stern	Individually defined
Disability is ". . . the expression of a physical or mental limitation in a social context—the gap between a person's capabilities and the demands of the environment. People with such functional limitations are not inherently disabled, that is, incapable of carrying out their personal, familial, and social responsibilities. It is this interaction of their physical or mental limitations with social and environmental factors that determines whether they have a disability."	Institute of Medicine	Societal based
"The disadvantage or restriction of activity caused by a contemporary social organization which takes no or little account of people who have physical impairments and thus excludes them from the mainstream of social activities."	Advocacy group	Societal based

[a]See Bibligraphy for full citations.

[b]See footnote 60 for definitions of ADL and IADL.

Table V.2: Estimated Disability Prevalence in the United States, 1990-93

Estimate of number of people with disabilities (in millions)	Percent of relevant population	Data source	Year of estimate	Definition of disability	Ages of population included in estimate
3.5	2.2	Census	1990	Functional—having a mobility limitation	16-64
4.2	2.7	NHIS	1993	Functional—limited in an ADL	18-64[a]
5.3	3.4	Census	1990	Functional—having a self-care limitation	16-64
6.6	4.2	Census	1990	Work disability—unable to work	16-64
7.2	4.6	Census	1990	Functional—having a mobility limitation or a self-care limitation	16-64
8.6	5.1	SIPP	1990-91	Work disability—unable to work	16-67
9.2	6.0	NHIS	1993	Work disability—unable to work	18-64
11.5	4.5	NHIS	1993	Functional—unable to carry out major activity	All ages
12.9	8.2	Census	1990	Work disability—either unable to work or limited in work	16-64
14.2	9.0	Current Population Survey (CPS)	1990	CPS definition—either unable to work or receiving disability benefits from government income maintenance program	16-64
15.6	9.5	CPS	1993	CPS definition—either unable to work or receiving disability benefits from government income maintenance program	16-64
16.4	10.4	Census	1990	Functional—having a work disability or a mobility limitation or a self-care limitation	16-64
16.8	10.1	CPS	1994	CPS definition—either unable to work or receiving disability benefits from government income maintenance program	16-64
17.0	10.9	NHIS	1993	Work disability—either unable to work or limited in work	18-64
18.0	12.5	SIPP	1991	Functional—limitation in major activity	21-64
19.4	13.1	SIPP	1993	Functional—limitation in major activity	21-64
19.5	11.6	SIPP	1990-91	Work disability—either unable to work or limited in work	16-67
22.7	14.6	NHIS	1993	Functional—limited in either work or in some other activity	18-64

(continued)

Estimate of number of people with disabilities (in millions)	Percent of relevant population	Data source	Year of estimate	Definition of disability	Ages of population included in estimate
25.6	10.3	NHIS	1992	Functional—limited in major activity	All ages
27.0	10.6	NHIS	1993	Functional—limited in major activity	All ages
27.4	19.0	SIPP	1991	Functional—limited in any activity	21-64
28.8	19.4	SIPP	1993	Functional—limited in any activity	21-64
37.7	15.0	NHIS	1992	Functional—limited in any activity	All ages
39.3	15.5	NHIS	1993	Functional—limited in any activity	All ages
48.9	19.4	SIPP	1990-91	Composite—limited in any activity or in self-care or has difficulty with one of listed tasks	All ages

[a]The NHIS question has a peculiar skip pattern—the ADL question was asked to anyone under 60 who reported an activity limitation and to all people over 60.

Notes: All data are self-reported and represent estimates for the noninstitutionalized population unless noted otherwise.

No sources predating 1990 were included. The Survey of Disability and Work (1972 and 1978), the National Long-Term Care Survey (1982-84), the Epidemiological Catchment Area survey (1981), and the SSA New Beneficiary Survey (1982) also provide some disability information.

Some information on specific disabling conditions is available from the National Comorbidity Survey administered between 1990 and 1992, the 1990-1991 SIPP, and the 1993 NHIS. The Epidemiological Catchment Area survey (1981) also provides data on specific conditions.

Comments From the Department of Labor

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210

JUL 25 1996

Ms. Carlotta C. Joyner
Director, Education and Employment Issues
Health, Education, and Human Services Division
U.S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Ms. Joyner:

This is to provide comments on the draft report, Persons with Disabilities: Multiple Federal Programs Could Work Together More Efficiently to Promote Employment (GAO/HEHS-96-126 Disability Programs). We appreciate the opportunity to respond to this report.

We strongly agree with the GAO's conclusion that although instituting major changes in service delivery to streamline and simplify programs has much to recommend it, the risk of failure in such major systemic change is too great. We support the GAO's alternative recommendation for a renewed focus on improving coordination among Federal agencies and with the numerous programs that are partially or wholly targeted to providing services to those with disabilities. ETA program service delivery to this group could benefit greatly through enhanced coordination and leveraging of other Federal programs directed to their employment. While we have consistently encouraged coordination at the national level, we also agree with GAO that coordination of services best occurs at the State and local level which is consistent with our philosophy relative to new workforce development systems.

The following information and/or responses are provided relative to points made in GAO's draft report. While ETA initiatives support some of the concerns expressed, more can be done to facilitate greater coordination and information exchange.

1) (p.19) GAO emphasizes the importance of coordination of services to meet the variety of needs often necessary to employ persons with disabilities, including "sharing of basic program information to harmonizing eligibility criteria, to cooperating in service provision."

ETA has initiated a "One-Stop Career Center System" to facilitate coordination of employment and training services in general as the organizing vehicle for transforming a fragmented array of services into an integrated service delivery system. The first grants for One-Stop career centers were awarded in late 1994; to date, a total of 38 States have been provided planning and development grants and 16 States have implementation grants. Additional grants have also been awarded for special initiatives.

BEST COPY AVAILABLE

Each State's One-Stop system is designed in conjunction with local communities to best meet its particular needs with emphasis on four key principles: 1) universal access for all population groups; 2) customer choice and information on a variety of services; 3) integration to provide a seamless approach to service delivery; and 4) performance driven/outcome-based measures. Although One-Stop Career Centers include JTPA, Employment Service, and Unemployment Service programs, many communities have chosen to co-locate an array of other workforce development services, including social service and Vocational Rehabilitation agencies, under the One-Stop umbrella.

An example of ETA's commitment to coordination of service delivery was the Department of Labor's (DOL's) Joint Employment and Training Technology Conference (JETT*CON) in Washington, D.C. (July 9 - 11, 1996) at which One-Stop and technology initiatives were broadly shared. The JETT*CON Conference included a workshop on "One-Stop Success with Vocational Rehabilitation" designed to share ways of marketing One-Stop to the Vocational Rehabilitation establishment.

At the same time, we recognize that more can be done to facilitate coordination of specific services to individuals with disabilities within the One-Stop initiative. The multiple barriers confronting those with disabilities also highlight the importance of linking targeted resources from other programs such as Department of Education's State Grants for Assistive Technology with more than $35 million earmarked for disabled individuals.

2) (p.22) GAO quotes a Labor Department official as stating that DOL "does not even talk to its (disabled) customers." GAO further states it "consistently heard from disability advocates, state and local officials, service providers, and private employers that JTPA does not effectively serve the needs of people with disabilities .... some JTPA offices were situated in locations that were inaccessible to persons with mobility limitations."

ETA has done a great deal in recent years to improve customer satisfaction. It has implemented customer satisfaction surveys for JTPA, Employment Service and other ETA programs and also utilizes focus groups to identify customer needs. In addition, ETA includes customer satisfaction benchmarks as performance goals in DOL's performance commitment to the President.

In addition, a National Stakeholders Forum, which was implemented in June 1996 to share information on changes in workforce delivery and to identify issues of concern,

includes a number of grantee organizations targeted to persons with disabilities. We anticipate that this vehicle will improve the Department's ability to identify special needs and to improve services to this target group.

3) (p.23) The draft report cites differences in eligibility criteria as particularly problematic to individuals with disabilities who may require a variety of services to become employable. In addition, GAO notes at least 14 different definitions of disability used by Federal programs as well as considerable discretion at the State and local levels for alternative definitions.

Issues of definition and eligibility criteria are major problems facing the coordinated One-Stop environment in general. ETA has been and will continue to pursue resolution through a variety of workgroups of State and local partners designed to address specific concerns of coordinated service delivery. Additional factors raised in the report, such as different cost allocation levels and performance evaluations of a variety of programs, are also being addressed as the One-Stop Career Centers system evolves.

Based on past GAO recommendations regarding the need for common terms and definitions, DOL has worked with the Departments of Education, Agriculture, Health and Human Services, and other agencies. In March 1996, a joint Report to Congress, Core Data Elements and Common Definitions for Employment and Training Program was issued. This is acknowledged as a first step and is limited by the fact that adoption of recommended terms is voluntary by agency.

As GAO points out, definition and eligibility issues are particularly problematic for individuals with disabilities and service providers or employers serving them. The above-noted report does contain a definition for "Disabled Individual" agreed to by many agencies, but this may or may not be adopted by the various programs providing services to this population.

4) (p.29) It should be noted that the School-to-Work program, cited in the successful School-to-Work Interagency Transition Partnership (SWITP), is a jointly funded and staffed Department of Labor and Education initiative. SWITP expands this cooperative venture specifically to Vocational Rehabilitation services.

Please let me know if we can be of further assistance.

Sincerely,

Timothy M. Barnicle

Timothy M. Barnicle

GAO Contacts and Staff Acknowledgments

GAO Contacts

Charles Jeszeck, Assistant Director, (202) 512-7036
Sarah L. Glavin, Senior Economist, (202) 512-7180
Valerie S. Dumas, Analyst, (202) 512-9817

Staff Acknowledgments

The following individuals also contributed to this report: Richard Kelley, Steven Machlin, and Mary Reich.

Bibliography

Anderson, K., J. Mitchell, and J.S. Butler. "Effect of Deviance During Adolescence on Choice of Jobs." Southern Economics Journal, Vol. 60, No. 2 (1993), pp. 341-56.

Barker, P., et al. "Serious Mental Illness and Disability in the Adult Household Population: United States, 1989." Advance Data, No. 218, Centers for Disease Control and Prevention: National Center for Health Statistics. Washington, D.C.: 1992, p. 11.

Baldwin, M., and W. Johnson. "Labor Market Discrimination Against Men With Disabilities." Journal of Human Resources, Vol. 29, No. 1 (1994), pp. 1-19.

Berkowitz, Edward D. Disabled Policy: America's Programs for the Handicapped (A Twentieth Century Fund Report) Cambridge, U.K.: Cambridge University Press, 1987.

Bound, J. "Health and Earnings of Rejected Disability Insurance Applicants: Reply." American Economic Review, Vol. 81, No. 5 (1991), pp. 1427-34.

_____. "The Health and Earnings of Rejected Disability Insurance Applicants." American Economic Review, Vol. 79, No. 3 (1989), pp. 482-503.

_____ and T. Waidman. "Disability Transfers, Self-Reported Health, and Labor Force Attachment of Older Men: Evidence from the Historical Record." The Quarterly Journal of Economics (1992), pp. 1393-1419.

Burkhauser, R.V., and P. Hirvonen. "United States Disability Policy in a Time of Economic Crisis: A Comparison with Sweden and the Federal Republic of Germany." Millibank Quarterly, Vol. 67, Suppl. 2, Pt. 1 (1989), pp. 166-95.

Chirikos, T. "Accounting for the Historical Rise in Work-Disability Prevalence." Millibank Quarterly, Vol. 64, No. 2 (1986), pp. 271-301.

DeJong, G., A. Batavia, and R. Griss. "America's Neglected Health Minority: Working-age Persons with Disabilities." Millibank Quarterly, Vol. 67, Suppl. 2, Pt. 2 (1989), pp. 311-51.

Haveman, R., and B. Wolfe. "The Economic Well-Being of the Disabled 1962-84." Journal of Human Resources, Vol. 25, No. 1 (1990), pp. 32-54.

Iams, H.M. "Characteristics of the Longest Job for New Disabled Workers: Findings from the New Beneficiary Survey." Social Security Bulletin, Vol. 49, No. 12 (1986), pp. 13-18.

Johnson, W., and J. Lambrinos. "Wage Discrimination Against Handicapped Men and Women." Journal of Human Resources, Vol. 20, No. 2 (1985), pp. 264-77.

Maki, D.R. "The Economic Implications of Disability Insurance in Canada." Journal of Labor Economics, Vol. 11, No. 1 (1993), pp. S148-S169.

Manton, K. "Epidemiological, Demographic, and Social Correlates of Disability Among the Elderly." Millibank Quarterly, Vol. 67, Suppl. 2, Pt. 1 (1989), pp. 13-58.

Mitchell, J.M., and R. Burkhauser. "Disentangling the Effect of Arthritis on Earnings: A Simultaneous Estimate of Wage Rates and Hours Worked." Applied Economics, Vol. 22 (1990), pp. 1291-1309.

Oi, Walter Y. "Disability and a Workfare-Welfare Dilemma," in Disability and Work: Incentives, Rights and Opportunities, ed. Carolyn Weaver. Washington, D.C.: American Enterprise Institute, 1991.

Oliver, Michael. The Politics of Disablement: A Sociological Approach, New York: St. Martin's Press, 1990.

Parsons, Donald. "The Decline in Male Labor Force Participation," Journal of Political Economy, Vol. 88, No. 1 (1988), pp. 117-34.

Ravaud, J.F., B. Madiot, and I. Ville. "Discriminiation Towards Disabled People Seeking Employment." Social Science Medicine, Vol. 35, No. 8 (1992), pp. 951-58.

Reisine, S., J. Fifield. "Expanding the Definition of Disability: Implications for Planning, Policy, and Research." Millibank Quarterly, Vol. 70, No. 3 (1992), pp. 491-508.

Rones, P. "Can the Current Population Survey Be Used to Identify the Disabled." Monthly Labor Review, June (1981), pp. 37-39.

Stern, S. "Measuring the Effect of Disability." Journal of Human Resources, Vol. 24, No. 3 (1989), pp. 361-95.

Wolfe, B.L. "How the Disabled Fare in the Labor Market." Monthly Labor Review, (1980), pp. 48-52.

Yelin, E. "Displaced Concern: The Social Context of the Work Disability Problem." The Millibank Quarterly, Vol. 67, No. 2 (1989), pp. 114-65.

_____, and P. Katz. "Labor Force Participation Among Persons With Musculoskeletal Conditions, 1970-1987." Arthritis and Rheumatism, Vol. 34, No. 11 (1991), pp. 1361-70.

Zeitzer, I.R. "Recent European Trends in Disability and Related Programs." Social Security Bulletin, Vol. 57, No. 2 (1994), pp. 21-26.

_____. "The Role of Assistive Technology in Promoting Return to Work for People with Disabilities: The U.S. and the Swedish Systems." Social Security Bulletin, Vol. 54, No. 7 (1991), pp. 24-29.

Related GAO Products

SSA Disability: Program Redesign Necessary to Encourage Return to Work (GAO/HEHS-96-62, Apr. 24, 1996).

PASS Program: SSA Work Incentive for Disabled Beneficiaries Poorly Managed (GAO/HEHS-96-51, Feb. 28, 1996).

Americans With Disabilities Act: Effect of the Law on Access to Goods and Services (GAO/PEMD-94-14, June 21, 1994).

Social Security: Disability Rolls Keep Growing, While Explanations Remain Elusive (GAO/HEHS-94-34, Feb. 8, 1994).

Vocational Rehabilitation: Evidence for Federal Program's Effectiveness Is Mixed (GAO/PEMD-93-19, Aug. 27, 1993).

Social Security: Disability: SSA Needs to Improve Continuing Disability Review Program (GAO/HRD-93-109, July 8, 1993).

Americans With Disabilities Act: Initial Accessibility Good But Important Barriers Remain (GAO/PEMD-93-16, May 19, 1993).

Vocational Rehabilitation: VA Needs to Emphasize Serving Veterans With Severe Employment Handicaps (GAO/HRD-92-133, Sept. 28, 1992).

Integrating Human Services: Linking At-Risk Families With Services More Successful Than System Reform Efforts (GAO/HRD-92-108, Sept. 24, 1992).

Vocational Rehabilitation: Better VA Management Needed to Help Disabled Veterans Find Jobs (GAO/HRD-92-100, Sept. 4, 1992).

Job Training Partnership Act: Actions Needed to Improve Participant Support Services (GAO/HEHS-92-124, June 12, 1992).

Adolescent Drug Use Prevention: Common Features of Promising Community Programs (GAO/PEMD-92-2, Jan. 16, 1992).

Vocational Rehabilitation: Clearer Guidance Could Help Focus Services on Those With Severe Disabilities (GAO/HRD-92-12, Nov. 26, 1991).

Social Security: District Managers' Views on Outreach for Supplemental Security Income Programs (GAO/HRD-91-19FS, Oct. 30, 1990).

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are $2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015

or visit:

Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000 or by using fax number (301) 258-4066, or TDD (301) 413-0006.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

or visit GAO's World Wide Web Home Page at

http://www.gao.gov

PRINTED ON RECYCLED PAPER